

Hughes' Debut Packs Them In

Continued from Page 3

Douglas Meyer, after a competitor. Why didn't she call him Hughes Meyer?"

At the morning session, while explaining to Sen. Ferguson his duties as a public relations man, Meyer attempted to introduce into the record a paragraph from Jack Lait's column in this morning's Daily Mirror, in which Lait stated that bigtown newspapermen are not shocked at these revelations of expenses. Ferguson edited that out.

I saw Elliott in the hotel lobby this morning, as he was checking out. As we shook hands, he said:

"Well, I guess I won't be seeing you around the night club for a long time."

When I repeated that to Meyer, the rotund publicist remarked:

"That's because he won't have me to lift his tabs."

Yesterday, in one of the many political speeches with which Elliott harangued the committee, he said he is in favor of a law forbidding ex-Army officers from accepting employment from government contractors.

Checking Rumor

I am bringing this up because I know Senate investigators are working on a rumor that, after his discharge, Elliott solicited a job from Hughes and was turned down.

I declare the committee unfair to Broadway and Hollywood reporters. A new tack is to leave out names of all the lovelies who attended the parties. Not only are newspapermen yelling with anguish, but the babes and their press agents are sick over it. So are the wolves because of the deletion of "prospects."

It has been decided that none will be called to the stand, as predicted in the Mirror. I learn Secretary Krug and Gov. Wallgren also will not be called, unless they ask to be heard, to clarify or dispute published imputations.

WHEN THE NEW MEXICAN SAW the mother of a child born out of wedlock may petition the court for the support of her child in keeping with the financial status and mode of living of the putative father. In other words, the child is entitled to all the social and educational advantages that he would otherwise have had if he had been the legitimate son of John W. Meyer.

Miss Miles, who lives with her parents and three brothers, said she met Hughes' big night club expense account while she was working at El Morocco and that she continued working there throughout their friendship.

"Mr. Meyer then had a suite at the Sherry-Netherland," her affidavit stated. "He would come to New York three or four times a year and stay a couple of months on each visit, and I would visit with him three or four times a week."

She pictured their romance of more than a year as being ended by two nearly simultaneous events: Meyer's hasty departure for the West Coast after Hughes' injury in a plane crash, and her own discovery of pregnancy.

A photostat of birth certificate No. 5191, on file at the Board of Health, stated that her son, named Douglas Meyer, was born at Park West hospital at 3:45 a.m. last Feb. 2, 35 minutes after the mother's admission. It named "John Meyer, Los Angeles, agent in the motion picture industry," as the father.

*Fch
ajh*

BROADWAY, By DANTON WALKER

ALEX-AMBASSADOR and a former senator, both party-minded may find their names dragged into the Hughes investigation. ... The senatorial quiz has at least revived interest in New York's nite clubs. One wag writes to suggest that The Stork put placards on its tables reading "Elliott Roosevelt was on the cuff here" etc. ... One incident that occurred in a Palm Springs, Calif., hotel, only incidentally bearing on the current vaudeville in Washington but which would result in the immediate resignation of a high-ranking federal official, has been successfully hushed up. The party in question was involved with the estranged wife of a Hollywood character. ... Another story that escaped the newspapers was the theft from Buckle Seigal's home of some 60 suits of clothing belonging to the late mobster. They were stolen by people sent to "cover" the case. ... Virginia Hill is being besieged with offers of personal appearances, screen tests, etc.



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- Mr. E. A. Tamm
- Mr. Clegg
- Mr. Glavin
- Mr. Ladd
- Mr. Nichols
- Mr. Rosen
- Mr. Tracy
- Mr. Carson
- Mr. Egan
- Mr. Gurnea
- Mr. Harbo
- Mr. Hendon
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- Mr. Quinn Tamm
- Mr. Nease
- Miss Gandy

6-10-47

John W. Meyer
62-78335

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Times Herald
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FEB 6 1947
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HUGHES' OATH

John Meyer

'Brewster Told Me if TWA & Pan-Am Merged He'd Call Off Probe'

83 AUG 25 1947

WASHINGTON NEWS
DATE 8-26-47

EX-13 BUREAU

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Meyer

W. J. [unclear]

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Mr. [unclear]	_____

Sen. Owen Brewster (R., Me.) took the stand at 3:30 p. m. today before a sub-committee of his own Senate War Investigating Committee to answer charges leveled at him by Howard Hughes. Capitol observers believed the appearance of a committee chairman before his own committee to be unprecedented.

Sen. Brewster denied flatly that he had ever told Howard Hughes he would call off the investigation if Hughes would support his Community World Air Lines bill.

Howard Hughes charged under oath today that Sen. Owen Brewster (R., Me.) offered to call off the Senate investigation of his war plane contracts if Mr. Hughes would agree to an airline merger.

The lanky millionaire industrialist appeared before a Senate War Investigating sub-committee. Sen. Brewster is chairman of the full committee.

With Sen. Brewster facing him across the committee table, Mr. Hughes aired his charges before a record-breaking crowd.

Assured that in giving his testimony he "would not have his hands tied," Mr. Hughes said Sen. Brewster offered to call off the investigation during a luncheon the senator gave in his Mayflower Hotel suite here during the week of Feb. 10, 1947.

"During the luncheon," Mr. Hughes said, "in so many words Sen. Brewster told me that if I agreed to merge the TWA (Trans World Airline) with Pan-American Airways and support his community airline bill, he would call off the investigation."

Mr. Hughes had made the charge before, but not then under oath as a witness.

Mr. Hughes' testimony was stalled for a while by several minutes of sparring with committee members. He asked more time to study testimony already taken but agreed to proceed with his complaints against Sen. Brewster.

He asked at once:

"Shall I be accorded the right to question him (Sen. Brewster)?"

Chairman Homer Ferguson (R., Mich.) of the sub-committee replied that any such quizzing would be "thru the committee."

Concerning the Mayflower luncheon, Mr. Hughes said that he had been advised that Sen. Brewster was "very tricky." So he took a "big Mafia" with him to the meeting, he testified, to be sure that he was "not placed in an unfair position."

Hughes Probe Eyes HT's Expenses

Truman Committee's Trip to Check Hughes Plant Under Investigation

By MILTON KEMLINER

President Truman's own expense vouchers covering a trip he and other senators made to California in 1942 to investigate Howard Hughes' aircraft activities today are under congressional scrutiny, The News learned exclusively.

The trip was made while Mr. Truman was chairman of the Senate War Investigating Committee, then Democrat in leadership, which now is Republican and busily investigating Democrats.

Within the last few days, the committee's back files have been gone into to remove the vouchers of Mr. Truman, Sen. Carl Hatch (D., N. M.), ex-Sen. Mon C. Wall-

gren (D., Wash.) and ex-Sen. Harold Burton (R., O.), now Supreme Court Associate Justice—who also made the junket.

Simultaneously, the Ferguson subcommittee of the Senate War Investigating Committee, has cabled to Europe to ask vacationing Justice Burton whether he has a copy of the report of the Truman Committee submitted after the California trip to survey Hughes.

The report, by Mr. Burton, did

not lead to a public investigation.

Persons looking into the Committee files for the original of the report are understood not to have been able to find it.

It is also learned that the committee's files did not yield a copy of any expense voucher that may have been submitted by Hugh Fulton, who was then chief counsel for the Truman Committee, but later went into private law practice in New York.

Brewster May Duck Hughes Tilt

By United Press (See Story on Page III)

Howard Hughes arrived here today to face Senate investigators and said he will be "most happy" to repeat under oath charges he has made against Sen. Owen Brewster (R., Me.), chairman of the Senate War Investigating Committee.

However, it appeared the anticipated verbal duel between the men would not take place. Sen. Brewster had offered to waive his congressional immunity and permit Mr. Hughes to cross-examine him but he indicated today he would not question the plane builder and would not submit to his questioning by Mr. Hughes.

Yesterday, Sen. Brewster directly questioned Elliott Roosevelt. Today he declined to take a seat at the center of the subcommittee table. He told a News reporter he "fully" expected to be present for Mr. Hughes' testimony later today, but

his TWA airline with Pan American.

The Maine Republican said "it would certainly set a new precedent" for a committee witness to question a congressman. "It would divert the committee and open up a whole new field for hearings," he added.

Mr. Hughes was ordered to the stand at 2 p. m. for questioning.

Sen. Homer Ferguson, subcommittee chairman, said Mr. Hughes would not be permitted to open his testimony with any prepared statement but will start by answering subcommittee questions.

Meanwhile, the Senate investigators questioned Mr. Hughes' passenger, Johnny Meyer, on

checks for more than \$600 worth of entertainment given Col. James G. Hall, former Air Force photo-reconnaissance chief, during a long New York week-end in January, 1944.

The investigators received records showing Mr. Meyer spent \$3,732.77 on luncheon, dinner and cocktail parties which Mr. Hall attended over a three-year period.

Mr. Hughes arrived at 7:14 this morning aboard his converted B-29 bomber. He took off yesterday from the West Coast at 6:00 p. m.

Mr. Hughes said he would not reiterate under oath his charges against Sen. Brewster. He said he would not answer the Senate's questions about Hughes' plans to build a new aircraft for the Government.



Howard Hughes and Sen. Brewster are seen in the foreground of a group of men standing in front of a building. The image is very dark and grainy, with the figures appearing as silhouettes against a lighter background.

7. Which, when you know, sounds reasonable enough.

Hughes Packs Them In, 3 Outdraws 'The Outlaw'

By LEE MORTIMER

WASHINGTON, Aug. 6.—Howard Hughes wishes "The Outlaw" would do as well! The Senate caucus room, normally seating about 300, is packed with 1,000 spectators. Another crowd, as large, patiently stands in line outside the doors.

Bob Considine, an expert on such things estimates the number of words wired about the picnic is as large as at a World Series.

The room is lighted like one of Hughes' Hollywood studios—but he's allergic to lights and asked they be doused.

Howard is a perfect showman. He kept the Senators and the terse audience waiting half an hour. Then when he arrived the crowd cheered.

If you see any photos of Hughes and Johnny Meyer taken together in Washington today, it will be because the cameramen got them on the fly, not by pre-arrangement.

New Strategy

I learn that the new strategy of the Hughes brain trust is to picture him as a distinguished young industrialist disassociated from all implications of being a merry clown. I think this a mistake. His natural conduct was always human and nothing to shame anyone.

Pursuing the new line, Hughes will keep out of Meyer's company as much as possible. They have not talked to each other since Hughes arrived.

An attempt was made to have Meyer excused from further test-

ifying, so he could "attend to his business." The idea was to preclude the necessity of both being on the stand at the same time, as happened yesterday when Johnny and Elliott Roosevelt sat side by side.

Chairman Ferguson killed the idea.

At lunch, Meyer suddenly jumped from one chair to another.

"Get that light out of my eye!" he exclaimed. "Every time I see a bright light, I raise my hand and begin to testify."

Meyer is bitter about paternity charges by Pat Lyons, the blonde baby-faced cocktail girl who displays a baby son. He said he didn't know when or if he'd return to New York to fight the case.

"That's up to Charlie Polett, my lawyer. I haven't had a chance to talk to him yet," he said. "But they better get it straightened out, otherwise a lot of New York nightclubs and restaurants are going broke—If I have to keep out of the state."

Even in the face of multiplying difficulties, the Meyer sense of humor is rampant.

"If I'm the kid's pa," he cracked, "why did she name it

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Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

Charles Hughes

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FEB 9 1972

RECORDED ORIGINAL

AUG 7 1947

New York Daily Mirror
Page 3

Hughes' Feminine Admirers Jam Senate Hearing Room

By ESTELLE GAINES

That was no P 80 you heard flying over the city yesterday afternoon—merely the reverberation of a couple of hundred fluttering feminine hearts when tall and lanky Howard Hughes strode into the Senate chamber.

The gals were everywhere. Outside the building lining the marble staircase and grouped around the entrance to the Senate war investigating committee room.

Gal Strikes Pose

One brunette in a black straw hat stood for 15 minutes with her chest out a la Jane Russell and a rigid cover-girl smile on her face. "Somebody ought to hurry up and give her artificial respiration before she passes out," another miss out-to-make-an-impression remarked tartly.

The multimillionaire Hollywood producer, playwright, manufacturer and manufacturer of suspense was sartorially perfect except for a slight beard. Howard who ordinarily swims ties and avoids

shoes when he can, was turned out in a neatly pressed gray wool suit, heavy white silk shirt and a plain black tie.

"I thought I ought to look a little presentable," he said later, adding vehemently "I certainly didn't dress up for Brewster, though." He forgot to put onarters, but he had a haircut and his long nails were manicured.

Arrived Late

Clothes were the only concession Hughes made the committee, however. As is his custom, he arrived late—11 minutes late after the half-hour postponement at his request had elapsed—and even had Sen. Brewster (R) of Maine peering toward the door expectantly.

Throughout his testimony, Hughes maintained an icy calm. He raised the pitch of his drawl only for emphasis. While Brewster attacked his charges, Hughes rubbed his left eyebrow, looked down at intervals and once or twice just plain bored, as the senator read lengthy reports in his Maine sing-song.

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Times Herald
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48 AUG 8 1947

FEB 9 1972

XEROXED ORIGINAL-RE:JAH

Brewster, Hughes Swap Accusations Face to Face

Planemaker Repeats
Story of Proposed
Deal Under Oath;
'Lie,' Says Senator

By Mary Spargo
Post Reporter

In a tensely dramatic scene Howard Hughes multimillionaire plane builder from Hollywood and Owen Brewster, junior Senator from Maine, faced each other across a Senate witness stand yesterday as "plain citizens under oath."

A record breaking crowd stood hushed as Brewster, his voice breaking, swore before his own Senate War Investigating Committee that Hughes' charges of his collusion with Pan American Airways are false.

Just a little earlier the gaunt, dark airman from Hollywood had taken the stand to say:

"I charge specifically that during a luncheon in the Mayflower Hotel Senator Brewster in so many words told me that if I would agree to merge TWA with Pan American and would go along with his committee and the bill there would be no further investigation of my company."

No Cross-Examination

Hughes had refused to testify about his charges against Brewster unless he were assured the same privileges as the Senator from Maine.

Senator Homer Ferguson (R-Mich.), chairman of the subcommittee which has been investigating the Government's 40-million-dollar wartime contracts with Hughes, ruled that both Hughes and Brewster may submit questions but neither may cross-examine the other.

Leaning forward earnestly, Brewster said:

"I can assure you that I never made any such proposition to him."

The Senator version of many a fourth floor fight in House and Senate reminded that it was in more like Hollywood than Washington for an hour and a half.

Scene Without Precedent

It was an unprecedented situation even for the Senate's caucus room, whose marble walls have held such scenes as a mid-air sitting on J. P. Morgan's lap and Cabinet officers battling out their differences.

Never before has the chairman of the Senate Investigation Committee waived his congressional immunity and appeared as a witness to answer charges raised by any person under committee inquiry.

And Ferguson made it plain that this was to be no precedent for any person to choke off an investigation by raising charges against a committee.

In the background was the gigantic battle of two powerful airlines, TWA and Pan American, for world commercial flying routes, and from off stage came the continuous rumble of the 1940 political campaign.

The two "plain citizens"—Brewster and Hughes—will meet again at the witness stand today. Hughes told Ferguson last night he had from "200 to 300 questions" for the committee to ask Brewster.

Hearing Televised

Hughes, who controls TWA, came to the stand first. He was 13 minutes late while a crowd, packed literally to the window-sills, shifted and stared inside the room and a still bigger crowd winding around three corridors of the Senate. Once E. Hiding waited outside.

Six movie cameras and one television camera started grinding away as the Hollywood producer and fier entered the room. Twenty newspaper photographers rushed to surround the witness stand.

It was the first hearing of any congressional committee which had been televised. Batteries of microphones for seven radio stations faced witnesses and committee.

Hughes couldn't remember the exact date of his luncheon with Brewster at the Mayflower, but he said it was one or two days after.

See HUGHES, Page 3, Column 1.

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
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Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

John W. Meyer
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42 AUG 8 1947

WASHINGTON POST
DATE 8-7-47

FEB 9 1972

XEROXED ORIGINAL-RETAIN

Brewster Cries 'Lie' to Charges of Proposed Deal, Counters With Accusation of Trap Planned for Him

he had testified that the committee was not investigating.

He had a previous visit with Brewster, he said, in Brewster's office.

"I had been told Senator Brewster was a very tricky person," he testified, "and I was told that if I were going to have any conversation with him I should have someone along. So I took along a Mr. Hefflin, who had been recommended to me, in this case meeting and to the executive hearing. The committee staff identified Hefflin as Marty Hefflin of Washington.

Hefflin he said, was not his lawyer. Later he admitted that Hefflin was a lawyer, "although not my lawyer."

Bought Lunch, Says Brewster

After he refused the Pan Am merger, Hughes testified the committee really began "to get tough" in its investigation.

Brewster fixed the date of the much-discussed luncheon as February 12, 1947, and he added: "I paid for it out of my own pocket—\$8.80."

The Maine Senator reviewed the history of the investigation into Hughes aircraft, which started in 1941, when the committee was headed by Senator Truman.

It was when he told his fellow Senators of efforts of Hugh Fulton, first counsel of the committee, to warn him that "I might be investigated Hughes that Brewster first showed emotion.

Fulton 'Changed Sides'

Fulton he said, came to him on April 3, 1947, and said he was there as both a friend of Hughes and a friend of Brewster.

Fulton said he was standing at Fulton's insistence that he called a his secretary and dictated a statement to her in front of Fulton and in front his position in regard to the investigation.

On April 16 Brewster said Fulton notified George Meader, then executive counsel that he had become a counsel for Hughes.

According to a Meader memorandum which Brewster read into the record, Fulton advised Meader that he might be in the thick of it "with cockbats flying" and urged him not to advise the committee but leave the decision on whether to go ahead with the Hughes investigation up to Brewster.

Charges 'Trap' Was Laid

"That reveals pretty clearly the trap they were trying to lay for me," cried Brewster.

It was a moment or so before emotion would let him continue.

They (presumably Hughes and his associates) were going to attempt to show that Brewster for personal reasons, pushed the inquiry, he said.

"I promptly appointed a subcommittee, named Senator Ferguson chairman, and let the chips fall where they may. I will not yield to a campaign of this nature."

"This is a serious matter," Brewster declared. "If a member of the Senate or this committee is to be intimidated in this manner then Senate investigations might as well cease."

Brewster testified that he first met Hughes some time ago when members of the Senate were invited to ride in "The Conqueror" in its maiden flight to Washington.

He did not talk with Hughes again he said, until February 8 of this year when Hughes called him from Kansas City. He saw him on February 10 in his office, or February 11 at an executive session of the committee and again on February 12 at the luncheon.

Brewster said he also had a telephone call from Hughes from Los Angeles during the week of March 3, 1947.

He introduced a partial transcript of the ~~transcript~~ to the record.

Partial Transcript

As recorded the transcript was: (He explained that the beginning was not recorded.)

"Senator—you haven't indicated your policy and that was all. You hadn't indicated your views in one way or another and I told them that today. I think, I don't know last week whether anybody called me or not. I don't know what the source of the stories were. I couldn't find out."

"Hughes: I have tried to get hold of you because I thought I ought to speak with you before talking to the press."

"Brewster: It is very nice of you to call. Have they called you today?"

"Hughes: No, no, this was last week."

"Brewster: Well, today a fellow called me, the Journal of Commerce in New York and apparently it had just gotten around to them and so they asked me the two questions. Did you say that you were going to merge overseas and did you say you believed in the community company and I said the answer to both questions is no."

"Hughes: Well, I had to deny the merger because that put the whole TWA organization into a spin as you can well imagine."

Bought Stories' Source

"Senator: Yes. Well somebody—what I said to them it looks to me as though somebody was inspiring these stories in order to embarrass either you or me or both of us because it certainly does nothing which I have said at any time which could possibly be construed that way, and responsible journal-

Mr. Ryan _____
Mr. Tracy _____
Mr. Carson _____
Mr. Egan _____
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WASHINGTON POST
DATE _____

Fulton

I am should ~~not~~ ^{not} ~~line~~ ^{line} to father these children and I'd like to find out who it is. They may have thought they could put you in a hole or put me in a hole or put both of us in you can just depend on it that I have said nothing at any time that could in any way be construed and that is to me significant because these things don't just happen.

"Hughes: Yes, Well, anyway, that's all over."

"Senator: Yes."

"Hughes: I didn't mention the common line at all. I just denied the Pan American story. You are coming in the midst, are you?"

Postponed Trip West

"Senator: Well, I had been hoping to get out this weekend. I have two or three things out there I wanted to see but it just now as though it would be postponed perhaps a couple of weeks on account of things here. They are getting a little congested."

"Hughes: Sherman Fairchild (aircraft manufacturer) told me you thought you could be out."

"Senator: Yes, I have to go to Lincoln, Neb., Thursday for a big meeting out there and I thought

In a radio interview last night Hughes singled out this particular transcript as a weakness in Brewster's defense. He said it proved Brewster knew about the merger and added that Brewster "would not have been ruminating on one side if he really believed necessity of obtaining war contracts by improper means." Hughes reiterated the charge he has been making for weeks that Brewster is lying.

Brewster dramatically pulled out a canceled check for \$200,000, dated December 20, 1945 to disprove newspaper accusations by Hughes that he and Bill Brewster had received a five ship around South America from Pan American.

The Maine Senator said he noticed that Hughes had not dared repeat that charge under oath. He also noted that Hughes was paying publicity man John J. Meyer had stated he had been in South America investigating Brewster's travels.

Brewster answered Hughes, charges that he had engineered the inquiry in order to push Hughes TWA into an alliance with Pan American for a world-span instrument airline mainly by what

the Senator called "the sequence of events."

In brief this sequence is:

1. July, 1942: The War Investigating Committee first looked into Hughes' contract for the flying boat.

2. July 30, 1942: First hearing.

3. August 5, 1942: A subcommittee headed by Senators Wallgren, Hatch and Burton reported on contract warning it would delay war effort.

4. February, 1944: WPB Chief Donald Nelson reported to Senator Truman, then head of committee, he was ready to cancel contract.

5. August 1, 1945: an intercommittee report from Francis D. Flanagan, assistant counsel and chief investigator to George Meader, then committee counsel, suggested that there must have been strong backing from high Government officials to get contract continued.

6. January 20, 1947: Senator Ferguson sent the committee staff a memorandum requesting further investigation because of information received.

7. February 7, 1947: Hughes called Brewster at Kansas City to discuss matter.

8. February 10, 1947: Hughes visited Brewster in office.

9. February 11, 1947: Committee heard Hughes in executive session with many members present.

10. February 12, 1947: Mayflower luncheon with Hughes and Brewster.

11. March 1947: Hughes Brewster telephone call.

12. March 14, 1947: Flanagan sent to Los Angeles to investigate Hughes.

13. March 25, 1947: Flanagan reports Hughes refused access to books.

14. March 26, 1947: Committee met in executive session. Subpoena ordered.

15. March 26, 1947: Hughes gives up books without subpoena.

16. April 3, 1947: Hugh Fulton calls on Brewster to asking hearings be canceled.

17. April, 1947: Brewster appoints subcommittee.

18. April 16, 1947: Meader reports Fulton consulted him disclosing himself as Hughes' attorney.

He said that he had made no at-

tempt to speed up, retard or otherwise interfere with investigation.

Elliott Suggests

Broader Investigation

New York, Aug. 6. — Elliott Roosevelt declared today upon his arrival from Washington by plane that "a complete investigation of military contract officers—Army, Navy and civilian—would be very productive and of great interest to the public of the United States."

When reporters asked if he believed the Senate War Investigating Committee before which he testified would disclose anything new, Roosevelt replied:

"It begins to look like there's going to be a little run down there in the next few days."

Roosevelt added, "It will be worth while for the committee to look into the reports I made in 1943 on the reorganization of the reconnaissance program and reports on changes in the material program."

File

WASHINGTON POST
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New York Daily Mirror
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- Miss Gandy _____

ON THE LINE

War Contracts Fraud Studied

By BOB CONSIDINE

(Continued from the International News Service)

WASHINGTON, Aug. 7. **P**ERHAPS the No. 1 wartime scandal was briefly uncovered and quickly put back under its shroud during this week's hearing in the comparatively minor 40 million dollar Hughes Aircraft probe.

Senator Owen Brewster (Republican), Maine, read briefly from a report on war contract settlements submitted last month by the Comptroller General.

The Comptroller General's report hints at billions of dollars in fraudulent or grossly padded termination payments to U. S. war contractors.

It has informed the Senate that the general accounting office, charged with determining after the final settlement of contracts for unneeded war materials whether the settlement was induced by fraud, has little chance of ascertaining such fraud because of skimpy information.

"If hundreds of these impositions, however," Comptroller General Lindsay C. Warren's report reads, "a careful analysis has convinced me that at least 79 termination settlements involving 107 contracts of 19 war contractors were induced by fraud."

Warren also raised what has become a sore point with the War and Navy Departments and the Administration — the quick employment by big business firms of officers and officials who administered war contracts or terminated war contracts.

"That there has been pay-

ment and malfeasance of such wide powers has been demonstrated beyond doubt," the report states. "With some high officials of the government the acceptance of entertainment, including cocktail parties, hotel bills and even travel from the contractor, while at the same time drawing travel expense and per diem from the government, was the rule rather than the exception. . . . a large number of contracting officers are of proven inefficiency and incapability. . . . constantly fraternizing with the contractor after working hours, golfing, dining, and winning with them."

Warren lists the following:

A major, formerly contracting officer and termination officer assigned to an aircraft concern, is now employed as general manager of the concern.

A colonel with similar wartime duties became manager of procurement for the firm he favored.

A major became vice president in charge of production for a gliders for the lumber representative in their crates.

A Navy lieutenant went on a large firm he favored. One contractor was given \$225,000 year job with a company \$181,357 worth of war goods he whose contracts he terminated produced, in exchange for for huge sums. Another naval officer check for \$1463. He then sold for for became a partner in a firm small portion of the material for for had won his wartime \$55,591.

proval. A former contract settlement negotiator at the Jeffersonville Quartermaster depot resigned to become chief agent of a concern to purchase the equipment he had marked down.

The General Accounting Office has asked the Department of Justice to go to work on the scanty contract-termination information which finally reaches the office charged with unearthing fraud. It is a tribute to the Department's investigators that they have hit pay dirt in as many cases as they have.

They have dug up cases where after V-J Day, companies moved newly produced and costly equipment from the equipment-making machines directly to the company scrapheap, to be sold at thousands of their production costs. They have found a case in which a canvas supplier arranged to sell his surplus supplies for an amount far in excess of the sunk price he was offering the Government—through a Government stooge. It is known that the War Assets Administration sold a thousand costly gliders for the lumber representative in their crates.

One contractor was given \$225,000 year job with a company \$181,357 worth of war goods he whose contracts he terminated produced, in exchange for for huge sums. Another naval officer check for \$1463. He then sold for for became a partner in a firm small portion of the material for for had won his wartime \$55,591.

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This is a clipping from the
Wash Times Herald
dated 8-7-47 Page

FEB 9 1972

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FROM

DO-7

OFFICE OF DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

TO
OFFICIAL INDICATED BELOW BY CHECK MARK

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Gurnea _____
Mr. Harbo _____
Mr. Mohr _____
Mr. Nease _____
Miss Gandy _____

See Me _____
Note and Return _____
For Your Recommendation _____
What are the facts? _____
Remarks: _____

62-78335

file
LH

HUGHES REFUSES TO FIND MEYER

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
Mr. Egan _____
Mr. Gurnea _____
Mr. Harbo _____
Mr. Hendon _____
Mr. Jones _____
Mr. Leonard _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

Brewster Regrets 'Smear' on Hostess; Hints Libel Action

Senator Declines

To Make Retraction

Chairman Brewster of the Senate war investigating committee said today he believed the Justice department "would be amply justified" in bringing criminal libel charges against Howard Hughes.

The Maine Republican made this statement at a press conference in which he "deeply regretted" a charge he made some time ago that an airline hostess refused to accompany Hughes on a flight from Columbus to Washington because she was afraid of being alone in the same plane with the west coast industrialist. He did not, however, retract the charge.

Ferguson Orders

Search for Johnny

By CHARLES B. SMITH
International News Service

Howard Hughes asserted today that his companies lost money as a result of their war contracts and declared the \$18,000,000 the government is paying for his huge flying boat is a "very cheap price."

The multimillionaire plane builder returned to the witness stand before the Senate war investigating committee after Sen. Ferguson (R) of Michigan, angrily issued a new subpoena for John W. Meyer, Hughes' free-lancing press agent, who mysteriously vanished from the hearing.

Refused to Produce Meyer

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WASHINGTON TIMES HERALD
DATE 8 8 47

Clark to Make Probe

Hughes has accused Brewster of trying to blackmail him into buying his Trans-World Airlines with Pan American Airways. Both men have asked the Justice department to investigate Brewster's connections. If any, with Pan American. And today Attorney General Clark disclosed he would do so later.

In discussing the hostess, the senator told reporters:

"I am not proud of my conduct on that affair. I confess frankly that I was irritated and angered by Hughes' attitude and, over the counsel of my better judgment and some of my advisors, I mentioned the incident."

Brewster "Regretful"

"I am regretful that I am embarrassed the young lady."

During Hughes' testimony before the committee, the aviator produced an affidavit from the hostess, Harriet Applewick, in which she said Brewster's story was "absurd" and that the matter of riding alone with Hughes had never come up.

"Clears" Bricker

Brewster was asked:

"Are you withdrawing the hostess charge?"

He replied:

"I am regretting. I do not care to carry on that controversy further. I might add that Sen. Bricker was a witness to a portion of the conversation, but not to all of it. I don't want to bring him into it."

The airline hostess incident was the subject of one of the questions that Hughes suggested yesterday be put to Brewster, but which was later dropped when their "fend" was marked closed by subcommittee Chairman Ferguson (R.) of Michigan.

The subpoena was signed after Hughes defiantly refused to produce Meyer, and a few minutes later Ferguson signed another subpoena for Hughes' private records.

An agreement later was reached under which Hughes agreed to produce documents relevant to the committee inquiry into his \$6 million contract in wartime plane contracts.

Letter Demands Hughes

Hughes letter, signed by committee counsel Francis D. Phelan, presented him with the subpoena.

Sen. Ferguson (R.) of Michigan, chairman of the subcommittee probing the Hughes contracts, was flustered with anger when he heard the Meyer subpoena after Hughes defiantly refused to bring his free-spending publicity man to the afternoon session.

Tempers, near the bursting point all week, flared spectacularly as Meyer's "disappearance" threw the Senate investigation of Hughes' \$6 million-dollar plane contracts into an uproar.

Considers Calling Three

Ferguson heatedly let it be known that he is considering contempt citations against Meyer, Hughes, and Wack Dietrich, vice president of the Hughes firm.

Hughes told Ferguson:

"I don't know where Meyer is. My company has been caused enough inconvenience over Mr. Meyer. I brought him back here twice for you."

Ferguson demanded:

"What's he doing today that is more important than his being here?"

Hughes replied:

"He's working for my company and that is more important than his being here. You had him here before. Why didn't you question him then?"

"I don't see why I should accommodate you again just as you put him beside me on the stand and make a publicity man."

Ferguson thereupon signed the

(Turn to Page 4, Col. 1)

Meyer Missing Again, Probers Order Search

(Continued from First Page)

order for Meyer's appearance "forthwith."

The senator instructed assistant counsel Francis Planagan to "tell the United States marshal we mean business on this subpoena." Ferguson added:

"I want it on record that Mr. Planagan spoke to Meyer yesterday and told him he would be wanted here today."

Earlier the committee was told that Maj. Gen. Oliver Echols, former Army air forces procurement chief, refused to do business with Hughes because he "disliked" the multimillionaire plane builder.

This development came as Sen. Brewster (R.) of Maine disclosed that Attorney General Clark has promised to investigate the charges hurled at Brewster, head of the Senate committee, by Hughes, who accused the senator of suggesting a "deal" to call off the probe.

Hughes Official Testifies

With the Hughes-Brewster feud dormant by mutual agreement, Noah Dietrich, vice president of Hughes Aircraft company, testified that he came to Washington to interest Echols in a plywood photo-reconnaissance plane. Dietrich added:

"Echols told me, 'So far as I am concerned, I am not interested. I do not want to do business with Howard Hughes because I dislike him.'"

Sen. Ferguson interrupted the witness to ask:

"Do you mean to say that in the midst of the war the head of the Army air forces procurement division refused to do business with Hughes because of personal dislike?"

Dietrich answered, "That is correct."

Echols previously testified that he and other experts opposed the plywood plane. He said he put through an order for 100 of the aircraft only because he was so instructed by his superior, Gen. H. H. Arnold.

Sen. Ferguson then asked:

"Echols said he was not interested in the plywood plane because he was so instructed by his superior, Gen. H. H. Arnold. Is that correct?"

The witness was sharply rebuffed when Ferguson announced that the committee had been unable to locate Meyer, who had testified he went to an underwater search for the wreckage of the plane.

interrogating Hughes in regard to the activities of Meyer. Hughes, however, refused to answer when the senator suddenly asked:

"Do you know where Meyer is?"

Hughes said he had no idea of Meyer's whereabouts.

Ferguson remarked:

"He was instructed to be here. I am advised by counsel that they have been unable to find him."

The audience, including O'Connell, burst into laughter. Ferguson belittled at Hughes:

"It may be funny to you . . ."

Hughes, grinning broadly, replied calmly:

"I didn't laugh, senator. It was somebody back there."

Ferguson, who thrice yesterday accused Hughes of indicating contempt for the committee, reported:

"Well, you were laughing too."

Hughes answered: "Laughing is contagious."

Dietrich testified that Birdwell turned in an "inaccurate" expense account for alleged entertainment at Jesse Jones, former Reconstruction Finance Corporation head.

The witness said that when he checked the expense account with Jones, the RFC chief told him Birdwell never had entertained him.

Two Incidents Cited

In testifying about Echols' dislike for Hughes, Dietrich said it was based on two incidents.

First, he said, Hughes did not keep a date to stop at Wright Field, Dayton, Ohio, at a time when he was successfully attempting to set a new air speed record and Echols and his staff were "embarrassed."

Secondly, Dietrich said, Hughes refused to have several of Echols' officers inspect a plane at a time when Hughes thought it was "temporarily secret." He said Hughes "did not want to let them see it."

Hughes had been testifying concerning the plywood plane when Ferguson suddenly asked for Meyer to come to the stand.

Hughes said he had recently interrupted Meyer's trip to South America so he could appear before the committee and again later brought him back from France for the same reason.

He stressed that the action in both instances was taken at considerable expense to his company because, on the trip to South America, Meyer arrived six days late and released the person he is alleged to see, Hughes asked:

"Does that look like I'm trying to keep him away from you?"

Ferguson, who had been asking Hughes to come to the stand, replied:

"I thought you were going to let people know by your testimony. I don't have time to follow every one of your witnesses around."

Sen. Pepper (D.) of Florida started to say "just a minute" when Ferguson cut him off.

"I'm not going to be interrupted by you," Ferguson told Pepper.

Pepper: "You're not the only member of this committee. You haven't proceeded in an appropriate manner to find out where Meyer is."

Ferguson: "The committee is going to issue a subpoena for Meyer."

Hughes retorted: "You did subpoena Meyer once to why try to make it look like he was here on his honor?"

Dietrich in Hot

Ferguson and Dietrich got into another argument over why Dietrich did not produce records before the committee which, Ferguson said, he had been requested to a subpoena 45 times.

"It would take a truck to bring all those records," Dietrich protested. "Do you want a truck driven to house?"

"You bring the records, and I'll get them in here," Ferguson insisted.

The chairman then asked:

"Can you tell us how many copies of the records you have?"

Dietrich: "I don't know. I don't know how many copies I have."

Ferguson: "You don't know how many copies you have?"

Dietrich: "If the subpoena is in the hands of my attorney, I'll draw it up and I'll get it done. They are in the hands of my attorney."

He then said he was in a hurry to go.

Some Legal Doubts

Dietrich had originally been subpoenaed to bring all of Hughes' private records to the hearing, but he had failed to do so. He explained that there was "some legal doubt as to whether they were his to bring."

Ferguson then asked Hughes if he would bring in the papers, which are in a Washington hotel room. The witness replied:

"If you will make a list of the specific items you want."

Ferguson said he was unable to do that and ordered the subpoena to prepare directing Hughes to produce "all papers connected with this case."

Ferguson also warned that "the committee is not going to give other contempt charges easily."

After that the chairman:



Women of Note at Hughes Hearing

Sitting on the sidelines of the Senate war investigating committee hearings on the Hughes aircraft contracts are (left to right) Mrs. Alice Roosevelt Longworth, Mrs. Ferguson, Michigan Senator's wife, and Mrs. Langer, North Dakota Senator's wife.

mony "In attempt to be misleading." The charge sprang from this question by Ferguson:

"Isn't it true that there was no liability for breach of contract because you used a non-profit organization which you yourself referred to as a country club organization?"

"I feel that you have changed my testimony," Hughes protested.

Ferguson said he was referring to testimony that Hughes gave the committee months ago in an executive session. Hughes interrupted:

"Let's get the record. I'd like to have this cleared up because this is not the first time you have attempted to be misleading."

The record was produced. It showed that Hughes said of the Kaiser-Hughes corporation last winter:

"Well, I believe it was organized in a manner similar to charitable organizations or country clubs."

Hughes Shows Defiance

After this quotation was read, Hughes defiantly told Ferguson: "I don't believe that this says it was a country club organization. What I meant was that the charter was similar to charitable organizations or a country club."

Hughes said there were 100 shares of stock at \$10 each in the Kaiser-Hughes corporation and that its capitalization was thus \$1,000.

The Senate war investigating committee hearing received evidence that Russell Birdwell, a former publicity agent for Hughes, exerted efforts to turn attention of the late President Roosevelt to the plane, a proto-type of the P-11 photo reconnaissance aircraft.

Hughes returned to the witness stand as the inquiry veered sharply away from his raging controversy with Brewster which was halted by mutual agreement last night.

Ferguson Reads Letter

Sen. Ferguson read to Hughes a letter addressed to Marvin McIntyre, secretary to Mr. Roosevelt and dated July 11, 1942. The letter stated:

"A few days ago Jesse Jones discussed with the President work Howard Hughes has been quietly going to develop a twin-motored plastic bomber that will fly faster than any pursuit plane in the world."

Jones has testified that he submitted a memo on the Hughes plane to President Roosevelt about that time and evidence was introduced to show that the President referred the matter to Gen. H. H. Arnold, air forces commander, with the notation: "What is there in this?"

Ferguson also read to Hughes a July 15, 1942, telegram from Birdwell to Stephen Early, former White House press secretary, stating:

"I would appreciate five minutes to discuss with you important construction news regarding Howard Hughes, whom I represent."

Hughes admitted today that Birdwell was working for him at

the time, but declared that the publicist's main function was to promote Hughes' motion picture production.

Ferguson asked: "Did you send Birdwell to Washington in 1942?"

Hughes: "I don't recall. My opinion is I didn't send him to sell the D-2, and that is the implication you are trying to make."

In 1942, Hughes got a 70-million-dollar order for 100 of the P-11's, for which the D-2 was the prototype. The order was later cut to 22-million-dollars for three of the planes.

O'Connor Quizzes Hughes

The committee's "D-2" heard voluminous testimony that the order went through, over Air Forces experts' objections, after Elliott Roosevelt recommended the planes be brought for photo-reconnaissance work.

Sen. O'Connor (D) of Maryland asked Hughes whether he knew how Birdwell obtained his information that Jones was consulting the White House. The airman replied that "I don't remember to day."

Ferguson wanted to know why Hughes wanted Birdwell to come to Washington to publicize the D-2 airplane.

Hughes answered: "I haven't said that I did."

Ferguson then produced an expense account of Birdwell's for \$1,340 worth of entertainment in Washington June 17 to July 16, 1942. Jones, who headed the Reconstruction Finance corporation, was listed as one of the people entertained.

Kaiser's Idea, Says Hughes

Noah Dietrich, Hughes' vice president, testified, however, that he questioned the expense account and Birdwell later admitted he had not entertained Jones, that he had put down names of everyone he contacted in Washington.

Ferguson asked Dietrich to produce from Birdwell an affidavit to that effect which the publicist made a few days ago.

Earlier, Hughes testified that the huge flying boat, for which he got an 18-million-dollar government contract, was Henry Kaiser's idea.

Despite questioning by Ferguson, the multi-millionaire said the only thing he could remember about his first conversation with Kaiser was that "he asked if I would be interested in designing and building the plane?"

Ferguson asked impatiently: "What plane?"

Hughes: "The one he had in mind."

Ferguson: "If a man comes to you and asks you to design a plane, you need details. How did you know you could design the plane he wanted? Did he bring any blueprints or designs or specifications?"

Hughes: "I don't recall any at that meeting."

Ferguson: "You'd remember if he gave you a blueprint wouldn't you?"

Hughes: "That was four or five years ago."

Ferguson: "Did he had been to Wash. the plane?"

Hughes: "I can't."

Ferguson: "Did he could get you a contract?"

Hughes: "I can't say definitely."

During the feud between Hughes and Brewster, the plane builder accused the senator of offering to call off the Senate inquiry if Hughes would merge his Trans-World Airline with Pan-American Airways.

Ferguson decided to slow the Hughes-Brewster dispute phase of the hearing when Hughes said last night he didn't have the strength to continue his attack on the Maine senator.

Loss of Papers

"Please do not make the statement you are unaware of what is in the papers because your audience had full access to them. This matter was brought about because I forgot to make photostats. I do not make it appear that I am trying to conceal anything."

Ferguson: "Well, you're refusing to bring them in."

Hughes: "I don't want my papers read all over the place here and all of them lost."

Ferguson repeated, his voice loud to a shout:

"We want all the papers."

Questioning on the Kaiser-Hughes corporation evoked an angry charge by Hughes that Ferguson was misquoting his testi-

FBI TO PROBE

'BLACKMAIL'

FEUD

Quiz Turns To Plane Contracts

Hughes Will Resume
Stand for Third Day

By International News Service
Sen. Brewster (R) of
Maine said today that At-
torney General Clark has
promised to investigate the
"blackmail" charges hurled
by Howard Hughes at the
senator.

Brewster, who invited a
Justice department inquiry
two weeks ago, said Clark
had informed him the
charges would receive "at-
tention" as soon as the Sen-
ate inquiry into Hughes' /
warplane contracts ends.

By United Press

Howard Hughes, his feud
with Sen. Brewster smolder-
ing under an uneasy truce,
was recalled today by Senate
investigators who want to
know what the government
got out of the \$40,000,000 in
war contracts awarded him.

Chairman Ferguson of the Sen-
ate defense investigating subcom-
mittee was confident the Hughes-
Brewster battle was "closed." He
hoped for clear sailing on the con-
tract issue which he regards as the
heart of the inquiry.

Mr. Tolson

Mr. E. A. Tamm

Mr. Clegg

Mr. Hendon

Mr. Pennington

Mr. Quinn Tamm

Mr. Nease

Miss Gandy

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WASHINGTON TIMES HERALD
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However, the dispute between the Maine senator and the Boston plane builder will be further aired in a full-scale Justice department investigation.

Brewster Asked Probe

Brewster invited the FBI probe shortly after Hughes published charges that the senator offered to quash the Senate inquiry in return for a merger between the Hughes-controlled T.W.A. and Pan American.

Department of Justice officials said two legal experts have been attending the hearings and would stay until their conclusion.

Face More Questions

Hughes, who said he was tired after two days on the witness stand, faced another barrage of questions on transactions involving:

1. An eight-engined flying boat, contracted for in 1942, but still earthbound. The government put \$12,000,000 into its construction, added \$500,000 for moving it from Culver City, Cal., to a Terminal Island dock, and has promised an additional \$1,000,000 for test flying the craft, probably next winter.

2. Three speedy XP-11 photo-reconnaissance planes, ordered for an ultimate government expenditure of \$21,000,000. The contract originally called for 100 planes at \$50,000,000, but was cut to three after V-day. Hughes has received \$1,000,000 for contract termination charges and will get another \$12,000,000 when the last of the three is delivered.

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Hughes Threatens to Leave U. S.

If Flying Boat Is a Failure, I May Go and Never Return'

John W. Myers

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
Mr. Egan _____
Mr. Gurnea _____
Mr. Harbo _____
Mr. Hendon _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

Howard Hughes said today he had staked his reputation on the huge flying boat he is building, and that if it proved to be a failure he "probably would leave this country and never come back."

Testifying for the fourth straight day in the Senate War Investigating sub-committee's inquiry into \$40,000,000 worth of plane contracts, Mr. Hughes made the assertion after another stormy opening.

That came when Hugh Fulton, former associate of President Truman, sought unsuccessfully to give his story to Senate investigators. Mr. Fulton, charged with attempts to block the inquiry, argued for five minutes with Chairman Homer Ferguson (R., Mich.) for a chance to tell his side of the case. But Sen. Ferguson refused.

Mr. Fulton then held an impromptu conference after leaving the hearing room and said he would hold a formal press conference at 2:30 p. m. today to "correct certain falsehoods made by Sen. Brew-

ster."

Sen. Owen Brewster, chairman of the full committee, has charged Mr. Fulton approached him earlier this year and urged that the investigation of Hughes' war contracts be either called off or limited to technical phases.

Sen. Brewster made public a memorandum reporting Mr. Fulton also tried to intervene as a "friend" of both Mr. Hughes and the committee at another time. This was on April 16, 1947, in a meeting with Mr. Fulton's successor, George Meader. At that time Mr. Fulton promised there would be "brickbats flying" if the investigation proceeded, Sen. Brewster said.

Then Mr. Hughes was put back on the stand. After some additional questions about the contracts, Sen. Claude Pepper (D., Fla.), asked Mr. Hughes for his present opinion of the 200-ton flying boat, which still has not flown.

"I've staked my reputation on this flying boat," Mr. Hughes said. "If it is a failure I probably will

leave this country and never come back."

Sen. Pepper asked Mr. Hughes if there were any fraud or corruption involved in the \$18,000,000 flying boat contract—one of two contracts under investigation.

"I certainly do not know of any," Mr. Hughes said.

"Was this project undertaken with a profit motive?" Sen. Pepper continued.

"The contract specifically said that no profit could be made," Mr. Hughes replied.

Mr. Hughes defended his big flying boat against assertions by Army technicians that it was "fantastic" and Hughes factory operations were inefficient.

The project, even if the plane never flies, will prove that the

larger transport and cargo aircraft are built, the more efficient and inexpensive will be their construction costs, he said.

He emphasized that failure to complete the big boat in time for war duty was not unique—that 61 other aircraft prototypes sponsored with Government funds during the war years were not completed in time for combat use.

One was the XF-12, developed by Republic Aviation. This plane, Mr. Hughes said, originally was developed as a transport, but when "Republic was unable to sell it to the Government as a transport, it was whipped up into a photo-reconnaissance ship."

Meanwhile, Senate investigators sent the cops out looking for

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agent John W. Meyer today but they decided to pass up the New York and Hollywood lovelies whom he paid \$100 a night for entertainment at his parties.

The fun-loving Mr. Meyer was still missing as his boss, Howard Hughes, returned to the witness stand for his fourth straight day of questioning.

The West Coast millionaire said he didn't know where his wandering press agent was. Neither did Mr. Hughes' attorney, Tom Slack. And neither, for that matter, did the U. S. marshals who were sent out with subpoenas for Mr. Meyer.

"I want him here," said Sen. Homer Ferguson (R., Mich.), sub-committee chairman. "He has the answers to some questions I want to ask Mr. Hughes."

A check by The News today revealed Mr. Meyer was still registered at the Statler Hotel.

Sen. Ferguson said he had planned originally to have Mr. Meyer share the witness stand with his employer while Mr. Hughes was questioned about entertainment expenses. Mr. Meyer claims to have spent nearly \$164,000 of Mr. Hughes' money to provide wine, women and whoopee for Army and Navy officers and Government bigwigs.

Contrary to pre-probe buildups, the women probably will not put in an appearance before the committee. Two Hollywood glamor girls were subpoenaed and there were hints that even more "cheesecake" would be on display in the Senate caucus room.

But a committee aide said today there are no plans to call any of the charmers for questioning.

For the first time since the Hughes inquiry got under way, the investigators apparently would have to get along without the moral support of Sen. Owen Brewster (R.,

Me.), chairman of the full Senate Investigating Committee. Sen. Brewster, whose verbal tilts with Mr. Hughes have highlighted the proceedings, has left for Maine.

Before leaving, however, he unleashed another blast at the plane manufacturer who, he said, "moved heaven and earth" in an effort to quash the inquiry. Sen. Brewster charged that Mr. Hughes tried to enlist the services of Chairman Carroll Reece of the Republican National Committee and former Sen. Burton K. Wheeler of Montana. But both, according to Sen. Brewster, refused to become involved in the case.

Sen. Brewster said he was willing to let Atty. Gen. Tom Clark decide who was right in the Brewster-Hughes feud.

Altho the sub-committee ostensibly has dropped this phase of the investigation, Sen. Brewster got in one more lick at a news conference yesterday. He said he thought the Justice Department would be "amply justified" in charging Mr. Hughes with criminal libel.

Sen. Brewster based his claim on Mr. Hughes' charge the Senator had attempted to "blackmail" him into merging his Trans World Airline with Pan American Airways.

On another charge he had leveled against Mr. Hughes, Sen. Brewster backed down in his talk with reporters. He had said that on one occasion he learned a TWA stewardess refused to make a plane trip with Mr. Hughes because she was afraid of returning alone with the Hollywood bachelor.

"I am not proud of my comment on that affair," Sen. Brewster admitted. "I was irritated and angry at the time by Mr. Hughes' attack on me. I am most regretful of anything that would have embarrassed this young lady in any way."



—By Harris & Howe
Cross section of crowd at Hughes hearing.



—By Harris & Howe
Francis Flanagan (left), Senate
War Investigating Committee
counsel, serves Mr. Hughes with
subpoena for papers of Hughes
Fuel Co.



—By Harris & Howe
Sen. McNary (right) displays papers to crowd at
press conference. (This photo head is on Page 1.)



Refutation

Howard Hughes said he never spoke to Sen. Owen Brewster before last winter, according to the Senator, so yesterday the Maine Republican produced this picture as refutation of Mr. Hughes' statement. The picture was purportedly made while the President was still Sen. Truman, and hence must have been made in 1944 or before. Left to right: Sen. Homer Ferguson, Sen. Brewster, Mr. Truman, Mr. Hughes and Sen. Arthur Vandenberg. (A picture on Page 1 shows Sen. Brewster displaying this photo at his press conference.) —New York

Clark Pledges Study Of Hughes Evidence At End of Hearings

By Doris Fleeson

Attorney General Tom Clark has promised Senator Ferguson that after the Ferguson War Investigating Subcommittee completes its hearings, the Department of Justice will examine all the evidence.

Mr. Clark said the Senate for he would be kept fully advised. He did not commit himself in advance to any line of action.

Of all President Truman's cabinet, the Attorney General is the most savvy politically. He comes by it naturally—his father was a political lawyer in Texas and in the South politics is an honored trade of equal rank with business.

Bred in that atmosphere, Mr. Clark needs no tips on how deeply politics and business are intertwined in the great airlines stakes. He is aware that, as things are going, a full-scale investigation can hardly be avoided, he only wants to get the whole picture.

Roosevelt Takes Over.

Because it is quite clear to him as to others that the hearings have escaped Senator Ferguson, the Senator's friends say, "It never pays to be a gentleman." They conceded that Elliott Roosevelt, with all the family positiveness, took his bearing into his own hands and for a change got his own good publicity. Edward Hughes' press agent, John H. Hines, has also been getting away with an insolence hardly creditable to senatorial dignity while Mr. Hughes transformed his appearance into a prosecution of Senator Brewster which is doing the Senator from Maine no good.

Apparently realizing this, Senator Ferguson is now attempting to regain lost ground by a no-more-country rule. But the shift in emphasis remains.

Now has the Michigan Senator, despite a glowing advance reputation as a prosecutor, displayed any talent for clarifying the main issue and eliciting testimony to illumine it. He wanders, gives the impression he is fishing; clever witnesses seize the chance and confuse the issue further.

Senator Brewster, more easily intellectual and quite patifish, could have helped but finds himself obliged to step aside. The other Republicans on the committee don't count. Quite satisfied, the Democratic members coast.

Bitter Over Probe.

There is some difference of opinion here as to who ought to do an airline investigation. Certainly the Justice Department can if it appears that the airlines are using their Federal subsidies to lobby to get bigger subsidies.

Normally the Senate likes to take over such matters. And in the Senate there are wheels within wheels. Pan American has powerful Republican connections—but Pan American's Sam Pryor made a powerful enemy when he marshaled those "We Want Willie" phalanxes in the galleries of the 1940 Republican National Convention at Philadelphia.

Senator Robert Taft, who thought he was going to grab that nomination, has always felt he was robbed by that ruthless gallery play of Mr. Pryor's. He has pointed out that Mr. Pryor was smart enough to stampede the convention for a man who was actually a Democrat but of course didn't win the election for him. And it is hard to do much in the Republican Congress with Senator Taft against you.

Historical note: The last ocean-air mail investigation was early in Roosevelt's administration and conducted by Senator Hugo Black, now senior member of the United States Supreme Court.

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Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

*Am. Airline
WATSON*

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Miss Gandy _____
Hughes

FULTON CALLS BREWSTER LIAR

file

Former Counsel
For Probe Refused
Right to Testify

John W. Meyer

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John H. Meyer

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FULTON RECALLS HEARING ABOUT PAN-AM 'DEAL'

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Miss Gandy _____

Denies Attempt to Soft-Pedal Inquiry

Excluded From
Hughes Fulton, former chief of counsel of the Senate war investigating committee, yesterday accused its chairman, Sen. Brewster (R) of Maine, of "deliberately stating and restating falsehoods."
 Fulton, former associate of President Truman when he was chairman of the committee, made the charge at a news conference. He called the conference after he was denied an opportunity to testify yesterday morning before the Senate's war investigating subcommittee.

Replies to Brewster

Brewster charged that Fulton had sought twice to soft-pedal the subcommittee inquiry into Howard Hughes' \$40,000,000 in government war contracts.

Brewster, Fulton said, was "utterly unable" to take issue with assertions made on the Senate witness stand by Hughes that the senator had sought to "sell" the West coast millionaire on an airline merger, offering in this event to call off the inquiry.

Fulton released a long statement, declaring that the Maine Republican had made a "fatal step" in attempting the investigation of Hughes after he had attempted to "sell" him on both the airline merger and Brewster's community airline—or chosen instrument—bill.

Sought Merger, Says Hughes

Hughes had charged that Brewster in so many words told him that if he merged his Trans-World Airline with Pan-American Airways the investigation of Hughes' war contracts would be called off.

Brewster supported the community airline bill which provides for one carrier to handle all overseas airline service.

Fulton, formerly and now a Washington and New York attorney, told reporters that he had served Hughes as counsel at the time Brewster charges he twice tried to sidetrack the inquiry.

But, Fulton maintained, he intervened for Hughes only to assure "a full and complete" hearing.

"I not only did not suggest any suppression of the investigation, but rather suggested that the investigation be full and complete and so conducted that the entire committee could agree on a report . . . and which would avoid a partial presentation of only one

(Turn to Page 4, Col. 3)

Brewster Lies, Asserts Fulton, Former Counsel

(Continued from First Page)

sensational facts," he maintained in a recent letter to Brewster which he made public yesterday.

Fulton was asked whether he was considering bringing suit against Brewster. He said he would consider such a step if Brewster continued to make "false statements." He added that he could spend his time more profitably in his law practice because "suing a senator is like suing a policeman—neither makes much money."

At the same time, Fulton told reporters that Brewster had sharply departed from a "tradition" established by President Truman when he was chairman during his Senate duty. Mr. Truman, Fulton said, insisted on "complete and fair" investigations and bypassed "sensational aspects." He added that "if an investigation has any other purpose it gets into trouble."

Brewster had declared that Fulton tried to soft-pedal the Hughes investigation twice in April of this year, and threatened "brickbats flying" if Hughes was "forced" to counter-attack with charges making Brewster to Pan American Airways.

Says He Talked With Him

Brewster, he said, was guilty of a "falsehood" in stating that he had not seen Fulton since April. Fulton revealed that he recently had consulted with Brewster and interceded with President Truman on behalf of Brewster's project for displaced Europeans in Maine.

Fulton said Brewster was "desperately" defending himself, but has been "utterly unable" to take issue with Hughes' charges that while chairman of the committee investigating Hughes he had "used that opportunity (1) to obtain free transportation; and (2) to attempt to sell Hughes on a program to which he was known to be bitterly and publicly opposed."

Public confidence in the committee, Fulton maintained, was seriously impaired under the Brewster's chairmanship.

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Hughes Says He Stakes All' on Flying Boat

Howard Hughes told Senate investigators yesterday that he "probably would leave this country and never come back" if the still-earthbound 300-ton plywood flying boat he has built for the government proves to be a failure.

He also told them that much of his wartime difficulty in getting and fulfilling contracts stemmed from the fact that Army procurement officers hated him because he did not bow to them and did not entertain them "as other companies did."

Now Awaiting Tests

The mustachioed West Coast millionaire, who builds airplanes, owns 45 per cent of an air line, makes tools and produces movies, said he has staked his entire reputation on the giant eight-engined flying boat that he has been nearly five years building. It is now at a California dock, awaiting first flight tests which probably will be held next winter.

The 41-year-old Hughes left no doubt that he, at least, believes the flying boat already has justified the time and millions of dollars spent to produce it. Although it may never fly because it is too large for one man to operate the controls, he said, it has provided research of great value to aeronautical science.

He said a high-ranking Army officer whose name he couldn't remember had told him other officers considered him "stuck up."

Says He Ignored Them

"They thought I didn't entertain them and extend the cordiality that other companies did," Hughes said. "They thought me stuck up, too good for them, that I sat out in my Hollywood home instead of going to Wright field to know to them."

"When they came to Hollywood, I ignored them."

Hughes testified for the fourth consecutive day before a Senate war investigation subcommittee which is looking into his \$40,000,000 plus worth of plane contracts. The total includes \$19,500,000 the government has spent or agreed to put up for the plywood flying cargo boat. It also includes \$21,000,000 for three Army scout planes.

He told the senators that: A "really fair" investigation

Hughes Stakes Reputation On Big Flying Boat

(Continued from First Page)

would show that combat fliers, in contrast to Army procurement officers, were all for his fast photo-reconnaissance plane, the XP-11, but that his unfriendly relations with the Army made it impossible for him to get priority materials to build the plane for war use.

Tells of Troubles

Some of his troubles stemmed from an "unfortunate" incident in which Gen. Arnold, then air forces commander, was barred from Hughes' Pacific coast plant at a time when Hughes was building a plane "behind closed doors."

Procurement officers at Wright field "wouldn't touch me with a 10-foot pole" because a Hughes engineer once charged favoritism in an Army competition between a Hughes plane and one built by Lockheed.

Hughes' fourth day of testimony, including his profession of faith in his outsize and unique experimental flying boat, capped these other investigation developments:

1. Subcommittee Chairman Ferguson of Michigan said he was confident public hearings would end next week. He hoped to finish in another ten or three days. Ferguson said the group had not yet decided whether to call Gen. Arnold as one of the final witnesses.

2. Ferguson brusquely blocked an attempt to testify by Hugh Fulton, chief counsel of the committee when it was headed by President Truman, then a Missouri senator. Fulton later was employed as an attorney for Hughes. He tried to take the witness stand yesterday, saying he wanted to answer "falsehoods" uttered in a radio broadcast last night by Sen. Brewster of Maine, chairman of the full committee.

Brewster on Vacation

3. Brewster himself headed for Bangor, Maine, and a four-week vacation after his first blast in his feud with Hughes. He said the West coast industrialist had "moved heaven and earth" to try to quash the Senate inquiry. Brewster said he was willing to let the subcommittee and Attorney General Clark decide the merits of Hughes' charge that Brewster tried to blackmail him by offering to call off the investigation if Hughes would merge Trans-World airlines with Trans-American Airways.

4. Committee attaches reported no lack in their latest hunt for retired Johnny Meyer, free-spending Hughes' press agent, who testified earlier this week that he spent \$164,000 in five years entertaining big shots in Hughes' behalf. The committee wants to ask him some more questions.

Questioned by Pepper

Under the friendly questioning of Sen. Pepper (D) of Florida, Hughes recounted the story of his difficulties about wartime plane contracts and the story of his long interest in aviation.

He defended the flying boat project, which Army technicians have called "fantastic." Even if the plane never flies, Hughes said, it will prove that the bigger transport and cargo aircraft are the more efficient and inexpensive they become.

And, he added, the possibility that his flying boat will be unable to fly might establish that there is a "threshold" beyond which that increase in size may not go.

Finally, Pepper asked him what he thinks now about the plane, that is wider than a football field and longer than a city block.

"I've staked my reputation on this flying boat," Hughes said hoarsely. "If it is a failure, I probably will leave this country and never come back."

Then he began talking about his troubles with the Army.

He said high-ranking officers at air force headquarters didn't want him to get a contract because they didn't like him.

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Asked About Redesigning

When asked "Hughes how long it would take to redesign the flying boat in metal, Hughes said he could make no estimate. He added, however, that it always takes a long time to build the first airplane of any type.

He said the delay in making all tests of the flying boat resulted from the failure thus far to design and construct a satisfactory power system. He added that a power system is necessary to operate the controls in the flying boat and that he hoped that in recent changes the problem had been licked.

Hughes stressed that failure to finish the big boat in time for war use was not unique, that 81 other aircraft prototypes were sponsored with government funds during the war years, but were not completed in time for combat.

Hughes said that the cost a pound of the flying boat would be less than any other airplane built in the last 10 years and that time spent a pound similarly would be less.

Ferguson, Fulton Clash

The angry argument between Fulton and Ferguson occurred as the abbreviated Saturday session of the hearing opened.

Fulton, a strapping 280-pounder, plunked himself down in the witness chair. The committee had decided once to call him to testify and had changed its mind. Now he wanted to have his say on his own initiative.

He decided on that after Brewster declared that Fulton approached him earlier this year and urged that the investigation of Hughes' war contracts either be called off or limited to technical matters.

Brewster also had made public a memorandum for another former committee council, George Meader, that Fulton was to interview again on Oct. 10 as a "friend" of both Hughes and the committee. At that time, according to the memorandum, Fulton promised "brickbats flying" if the investigation went on.

But before Fulton could say anything, Ferguson informed him he would not be heard by the committee.

Told to Leave

"Won't you . . . a hour my up-peakly" Fulton shouted. "The point I'm making . . ."

"Please leave the stand," Ferguson said. "Mr. Hughes, come forward."

There was more shouting, but finally Fulton got up from the witness chair and made way for Hughes.

Hughes has admitted that he paid Fulton \$10,000 for his legal services after the attorney left the employ of the Senate committee. But later they had a row and parted company. Hughes said he could not remember whether Fulton served him during the time Brewster alleged the lawyer was trying to subvert the inquiry.

'Where There's Smoke

There's Some Meyer'

BOSTON, Aug. 9 — Senator Brewster (R.) of Maine said today the war investigating committee of which he is chairman plans more investigations involving "many millions" as soon as the Howard Hughes probe ends.

Alighting from an airplane from Washington, enroute to his home in Dexter, Me., the senator:

1. Declined to comment on the

refusal today by the investigating subcommittee to allow Hugh Fulton, former full committee counsel, to testify.

2. Said Hughes' press agent, John W. Meyer, was "quite a boy," adding they're saying in Washington, "Where there's smoke there's some Meyer."

3. Declared the investigation so far has fully paid for itself in money returned to the government.

4. Revealed that Hughes had testified at a private hearing and demanded a public one.

5. Asserted that the testimony showed that "all I got out of it was breakfast of bacon and eggs."

Got Contract For 100

But combat officers, he said, who during wartime could "squawk and get what they wanted," were enthusiastic about his XP-11 photo plane. Hughes got a \$50,000,000 contract for 100 of these ships after then Col. Elliott Roosevelt recommended it and Gen. Arnold overruled objections of his procurement officers. The contract later was cut to three planes for \$12,000,000 and Hughes was awarded \$6,000,000 in contract-termination costs.

Hughes said Maj. Gen. Echols, chief of the AAF materiel division during the war and one of the men who urged Arnold to reject the Hughes photo plane once told a Hughes official that he did not like Hughes and "would not give him a contract under any circumstances."

Back in 1934 and 1937, Hughes related he pioneered a two-engine interceptor or fighter plane over air force objections that one man couldn't handle a two-engine pursuit ship. The Army, he said, ordered his design held

up until Lockheed could design a similar ship for competitive trial.

Because of the delay, he testified, some of his top engineers went to work for Lockheed.

"And by some strange coincidence," Hughes continued, Lockheed came up with a similar plane which was accepted and became the famed P-38, a top combat craft of World War II.

"That made Lockheed famous with 80,000 employees while my operations remained small staff with 3,000 employees," he said.

At one point Pepper asked Hughes if there were any fraud or corruption involved in the \$10,000,000 flying boat contract.

"I certainly do not know of any," Hughes said.

"Was this project undertaken with a profit motive?" Pepper continued.

"The contract specifically said that no profit could be made," Hughes replied.

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Florida Senator's Wife Shakes Hands With Howard Hughes

After the Senate war investigating committee had adjourned for the day Friday, Mrs. Claude Pepper, wife of the senator from Florida, met Howard Hughes in the hall of the Senate office building to shake hands with him. Mrs. Pepper has been a constant spectator during this investigation.

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BULLETIN

Hugh Fulton, former counsel to Howard Hughes, today told reporters that Sen. Owen Brewster (R., Me.) once told him that while investigating Hughes, he (Brewster) tried to persuade Hughes to go along with the idea of a community airline.

Private attorney Hugh Fulton, former chief counsel for the Truman War Investigating Committee, today charged Sen. Brewster (R., Me.) with "deliberately stating and re-stating falsehoods."

Mr. Fulton, who at one time worked for both Henry Kaher and Howard Hughes, made the assertion at a press conference arranged after Sen. Ferguson (R., Mich.) had refused him permission to testify at the Hughes hearing today.

Mr. Fulton said that he wrote a letter to Sen. Brewster last Thursday correcting statements that Fulton had attempted to get the Hughes investigation called off by intimidating Sen. Brewster.

Mr. Fulton said he wrote Sen. Brewster that "Howard Hughes had requested me to accept employment to defend what he regarded as an attack upon him, by you, for the benefit of Pan American Airways."

Mr. Fulton said his letter added that he had declined such employment or any compensation for it because "I regarded both him (Hughes) and you as friends and did not want to take a position in such a matter against either of you ...

"I not only did not suggest any suppression of the investigation, but rather suggested that the investigation be full and complete and as conducted that the entire committee could agree on a report which would give a complete picture of all the facts in their proper relation to each other, and which would avoid a partial presentation of only sensational facts, which, standing alone, might be misinterpreted." (Earlier story on Page 2.)

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Mr. Hendon _____
Mr. Jones _____
Mr. Leonard _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____
White _____
Sullivan _____

Mary Spurgeon
and

"Patagonia Johnny" Meyer, but the subpoena ran out and so, apparently, did he.

So a new subpoena was issued by a farming Ferguson with various orders to U. S. marshals to bring back the missing man.

Meanwhile, that Meyer

At one of the stormiest sessions of its entire strife-ridden existence, the Senate War Investigating Committee learned yesterday that the party-throwing "public relations director" had vanished.

Hughes, who has frequently boasted he would never appear on the same witness stand with the man he paid to entertain Government big shots, openly laughed at committee failure to find his press agent.

As yesterday's episode in the Hughes real-life scenario developed, the crowd booed Ferguson and applauded Hughes.

A small but determined group roared laughter at his wisecracks.

"No, I will not bring him back," Hughes shouted. "You want to put him on the stand with me and make a publicity show out of this thing."

The special Hollywood version of the horse-laugh, the needle and the hot-foot had Subcommittee Chairman Homer Ferguson (R., Mich.) redly sputtering with rage (and banging an ash tray.

The committee had the balding, pudgy self-styled "cupid" in the romance between Elliott Roosevelt and the daughter of the banker.

well and Faye Emerson under sub-
pens until Thursday night. He was
told to remain yesterday as well.

O Meyer, Carolyn

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RECEIVED GENERAL INVESTIGATION

The Political Mill

Brewster-Hughe Should Be Sifted to End

Episode Seen Blow to Prestige of
Senate Committee

By Gould Lincoln

The country has been treated during the last two weeks to an amazing series of charges and countercharges by Howard Hughes, millionaire aircraft manufacturer, and Senator Brewster of Maine—in the press and before a Senate War Investigating Subcommittee. It is now told the two main actors are tired of calling each other liars—and to call it a day.

In view of the seriousness of the charges, it is up to the Justice Department or to the Senate committee, acting through the United States Attorney, to sift the thing to the end. Mr. Hughes accused Senator Brewster, who is the Republican chairman of the full War Investigating Committee, of having offered to call off the committee inquiry into the Hughes wartime contracts for a big flying boat and for reconnaissance planes for the Army, provided Mr. Hughes would go along with a merger of Pan American Airways, in which he is the biggest stockholder, with Pan American Airways. Senator Brewster, branding the Hughes charge a lie, asserted that Mr. Hughes sought to intimidate him in order to end all inquiry into the Hughes contracts; that Mr. Hughes employed Hugh D. Fulton, a former counsel of the committee, and that Mr. Fulton came to him, Senator Brewster, last April and warned him if the inquiry was continued it might cause brickbats to fly.

Two Courses Possible

Two courses might be taken—a suit for criminal libel, which Senator Brewster has suggested to the Justice Department, but which he admits it may be very difficult to get the department to initiate, and an indictment for perjury before the Senate subcommittee. The latter course, if followed, would be initiated by the committee itself.

The entire episode has been detrimental to the prestige of the Senate committee. Mr. Hughes, it is true, was not able to substantiate his charge that Senator Brewster had offered to make a deal to call off the inquiry into the Hughes contracts. The airplane manufacturer at first intimated that a man he dealt with him to see Senator Brewster—Edward J. Griffin—could substantiate the charge. But Mr. Griffin flatly denied that he had heard Senator Brewster make any proposal of a deal to Mr. Hughes or that he had heard any mention of Pan American Airways. Mr. Hughes, however, again and again baited the committee and charged he was not being given a square deal—and the scene in the committee room became at times almost farcical. A "Jim" Reed or "Tom" Walsh of earlier Senate investigations would have made this impossible.

This is the Senate committee which did admirable work during the war—and is probably responsible for great savings in expenditures to the Government and the taxpayers. It was as the head of the committee that President Truman, then a Senator from Missouri, made an enviable reputation and leaped into the spotlight—eventually landing the vice presidential nomination at the hands of the Democratic National Convention in 1944. Over Democratic opposition in the Senate, the investigating committee, led by new life at the opening of the Republican-controlled Congress last winter.

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Mr. Nease _____
Miss Gandy _____

Brewster Led Fight

Senator Brewster made the fight for maintenance of the committee and was made chairman. To have him left now under suspicion—as will be the case should the dogfall, name-calling episode before the committee be allowed to stand—will help neither Mr. Brewster nor the committee over which he presides.

The charge is made, too, that the committee has engaged in a partisan political fighting spree, in an effort to show that Brig. Gen. H. H. Roosevelt (he held the rank during the war) had been bought by favors of Mr. Hughes and his companies to use his influence to have the Hughes company awarded a contract involving \$20,000,000 for reconnaissance planes. Mr. Roosevelt, before the committee, stoutly denied that he had been so influenced, or that he had used any pressure on his father, the late President Franklin D. Roosevelt, to approve such a contract.

However, there was unfolded in the committee hearing a story of lavish expenditures for entertainment, charged to the Hughes company, which raises the question: How many thousands and millions of dollars may have been so used by companies seeking war contracts—money which eventually came out of the pockets of the people? While Mr. Roosevelt and the committee parted company with the utmost good feeling expressed on both sides—this episode, too, leaves a bad taste.

The committee is finally getting down to the job of finding out why the \$40,000,000 involved in the Hughes contracts has so far failed to produce successfully either flying boat or reconnaissance planes (one of the latter was wrecked with Hughes at the controls). It looks as though red herrings have been drawn across the trail.

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John W. O'Neier

San Francisco

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HUGHES SAYS

ARMY REFUSED

FASTEST PLANE

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Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
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Mr. Harbo _____
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Mr. Jones _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

Claims Officers' Dislike for Him Was Reason

Craft Was Faster Than Any in Use, Builder Tells Senate Hearing

Howard Hughes, millionaire aircraft manufacturer and film producer, told a Senate War Investigating Subcommittee today that a dislike for him among Army officers prevented him from getting wartime contracts to produce planes faster than anything the Army or Navy had. He also told the subcommittee, which has taken volumes of testimony about the entertainment activities of John W. Edgar, Mr. Hughes' public relations man, that one of the reasons Army officers disliked him was their feeling he did not extend "the hospitality and cordiality of other manufacturers."

"They thought I was a rich man, who was stuck up and had no use for them," Mr. Hughes said, referring to the Army officers who dealt with aircraft procurement.

The implication was that it was after this that he decided upon entertainment of Army officers and important Government officials.

Sharing Rumors Until Monday. The subcommittee which is investigating Mr. Hughes' \$40,000,000 wartime airplane contracts with the Government recessed until 10 a.m. Monday, with Chairman Ferguson asking Mr. Hughes to try to remember over the week and who told him about this bad feeling on the part of Army officers.

Mr. Hughes, the only witness heard today—Hughes' son, former counsel for the full committee having been denied an opportunity to appear—testified that if the 280-ton flying boat he is building for the Government is a failure he will "probably leave this country and never come back."

He declared he had put the "prowl of my life and my reputation" into the huge plane.

He was asked by Senator Pepper, Democrat of Florida, committee member, if he knew of any fraud in connection with the contract for the huge plane. He replied: "I certainly do not know of any."

Says Army Rejected Plane

Testifying about what he said was the antagonism of Army officers toward him he charged that the Army refused to adopt his personally designed pursuit plane, in which which he set a new speed record by flying it from Los Angeles to New York in 14 hours before the war. He said it took the Army, with all its planes, eight years to break that record.

Mr. Hughes said he also designed a two-engine interceptor, pointing out that previously no one thought one flyer could run a twin engine plane of that character. When he took it to the Army, he charged they made him "go around" or "over."

—HUGHES' FIGHTER

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months while Lockheed designed a similar plane for competition. Finally, he said, the Army, the Lockheed "and that became P-38" —and it made the Lockheed Co.

Mr. Hughes said he learned several years later that one of his men at Wright Field, Ohio, where the Army studied new planes, argued with officers about the acceptance of the Lockheed P-38, which, he believed, turned them against him thereafter.

Defends Roosevelt

Mr. Hughes said it was then that "I backed into my shell and decided to build with my own money a new plane that would be so good the Army would have to take it." That was the beginning of the photo-reconnaissance plane, the contract for which is now under investigation.

Mr. Hughes also said that if it was the late President Roosevelt who ordered the big cargo plane completed in 1944, after \$12,500,000 had been spent on it, "no one has shown me any proof that he acted impulsively."

Gen. H. H. Arnold, retired Army Air Force chief, may be invited to testify next week, Senator Ferguson disclosed.

He made this announcement after Mr. Hughes read a news story in which Gen. Arnold was quoted as saying the Army contracted to buy the Hughes P-11 photo reconnaissance plane because it had the "best prospect" of equalling the British Mosquito plane, regarded as the most effective in the field at the time.

Admits Traveling Impromptu

Just before adjournment, Mr. Hughes acknowledged in response to questions that he occasionally uses names other than his own when traveling and registering at hotels.

He said he usually took the name J. R. Alexander, an official of his company.

"I always take the name of somebody I know would not be offended," he explained. "I take other names merely to dodge insurance men or others who might want to see me when I am in a city on other business."

Gen. Arnold was mentioned in the course of the questioning that followed Mr. Hughes' complaint that the "Wright Field clique" of Army officers disliked him and "therefore disliked my plane."

Mr. Hughes said he did not accuse Gen. Arnold of prejudice of any kind.

He said he was "astonished" when told by Neddy D. French, executive vice president of the Hughes Tool Co., that Mr. Gen. O. F. Smith (retired) said he did not want to do business with Mr. Hughes because he did not like him personally. The witness said he had talked only a short time before with Gen. Echols and thought he had "straightened out the misunderstanding" with Wright Field officials about the reconnaissance plane.

May Not Build Another Big Plane

Mr. Hughes went on to say that he was not "pretending" that any more planes of his cargo flying boat design will be built.

"It is quite possible no more ever will be," he said. "But it should be understood that the P-11 was a

long time to build and was complicated by later developments. But each plant project of that kind contributed to aviation knowledge."

The witness added that the power-control feature of the Lockheed Constellation which he designed was "lousy." He explained that he was not criticizing the plane itself but only that one feature which, he said, was deemed unsatisfactory and unnecessary by pilots.

Had Heard No DPC Complaint. In the course of his testimony today, Mr. Hughes declared:

1. He had heard of no Defense Plant Corp. complaints in 1944 that the Hughes Co. was "asking" the corporation to pay for company manpower and facilities used on other war contracts.

2. He "did not recall" that he used Mr. Meyer, his public relations man whom the subcommittee today is seeking for further questioning to "contact" any Government officials about getting the cargo plane contract in 1942.

3. He "knew nothing" about any effort Henry Kaiser, West Coast industrialist, might have made to obtain the contract in the first place.

4. He was "not prepared to say" if he has anything in writing from the Government authorizing various changes from those to those in the original design of the flying boat. But he declared Government representatives were at his plant all the time and were in constant touch with revisions he made. He said he accepted that "as sufficient proof that the changes were satisfactory."

Describes Big Cargo Plane

Mr. Hughes gave the subcommittee the following description of the huge plane which now rests on the water at Long Beach, Calif., but has not yet taken to the air.

It has a 130-foot wing spread— "longer than a football field and as big as a city block."

It is 300 feet long, has a hull 34 feet in diameter, and carries eight engines of 3,500 horsepower each. "It is really designed for much more power by addition of newly developed engine types," Mr. Hughes explained.

The flying boat's wing area is 11,000 square feet, almost three times as big as any plane built at the time, and twice as big as the Glenn Martin Co.'s Mars.

Today's questioning of Mr. Hughes began in a much calmer atmosphere than that of any previous session, after Mr. Fulton had withdrawn.

Hughes Design Company. Senator Ferguson brought out that Mr. Hughes began to change the design of the flying boat about two months after receipt of the letter of intent September 21, 1941.

Mr. Hughes testified he did not confer with Mr. Kaiser on the changes. He also said that the changes were a "gradual progression." At one time, long before the Government contract came through, there had been some idea of making the cargo plane a land craft instead of a flying boat.

"At the time you obtained the contract," Senator Ferguson asked, "Did you or any one in your company contact any one in the Government?"

"Do you mean did I meet any person?" Mr. Hughes countered. "No," the chairman said. "I mean did you or your company, up to the time of receiving the letter of intent, contact any Government official?"

"Well, Senator," Mr. Hughes replied, "contact" is a pretty broad word."

"Well," Senator Ferguson said patiently, "did you go in touch with any one?"

"Certain of my engineers probably were here with preliminary information," the witness said.

Separated Plans Projects

"At that time," Senator Ferguson continued, "did John W. Meyer work for you?"

"You certainly ought to know that," Mr. Hughes retorted. "You have all the records when he went to work for my company."

"I don't know whether his records are right," Senator Ferguson declared. "When did he start working for you?"

"I don't recall offhand," Mr. Hughes replied.

"Did you see John W. Meyer to contact any Government official?"

"I don't recall so using him," Mr. Hughes replied.

Referring to reported Defense Plant Corp. complaints of incorrect charges made by the Hughes Co. to the Government of the flying boat project, Mr. Hughes said he made every effort to separate the flying boat work from other contract work so there would be no possibility of mixing up the charges. He said he even had a laundry building and a furniture factory in Hollywood to move other contract work out of the Culver City plant so that the flying boat could be devoted entirely to the flying boat, and a "strict limitation" of charges could be maintained.

The investigating committee had planned today to dig further into substantiated expense accounts of the Hughes organization, if it could find Mr. Meyer. A second subpoena for Mr. Meyer was issued yesterday.

Senator Ferguson said that so far as he knows committee agents and the United States Marshal have not yet located Mr. Meyer to serve the new subpoena. At the Hotel Statler it was said Mr. Meyer had not been seen in the last two days nor had he answered his telephone.

Senator Ferguson also said this afternoon he hopes to close the hearings before the end of next week.

The audience, as well as Chairman Ferguson, was three times over greater in number than when Mr. Hughes opened his hearing for using the big cargo plane.

as part of a Buck Rogers super-
colossal moving picture with Cary
Grant as the star.

Senator Ferguson had directed
Mr. Hughes to read a news story
which speculated on the possibility
of such a film built around the big
flying boat which is resting on the
water near Long Beach, Calif., but
has never taken to the air.

Mr. Hughes said Cary Grant told
him he had an idea for a super-
picture with episodes taken in many
parts of the world and that one set
would be a big plane "with dance
floors, swimming pools and what-
not." Mr. Hughes said he was
sure, however, that Cary Grant
never intended making the picture
in the Kaiser-Hughes plan.

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FULTON ATTEMPTS TO MAKE STATEMENT—Hugh Fulton (right), former counsel for the Senate War Investigating Committee, as he attempted to make a statement today from the witness chair after being denied permission to testify. Listening from chairs behind Mr. Fulton are Howard Hughes (left) and his attorney, Thomas Slack. —AP Photo.

Mr. Tolson _____
 Mr. E. A. Tamm _____
 Mr. Clegg _____
 Mr. Glavin _____
 Mr. Ladd _____
 Mr. Nichols _____
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 Mr. Tracy _____
 Mr. Carson _____
 Mr. Egan _____
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 Mr. Hendon _____
 Mr. Jones _____
 Mr. Pennington _____
 Mr. Quinn Tamm _____
 Mr. Nease _____
 Miss Gandy _____

Hughes
Slack

Fulton, Denied Witness Stand, Hurls 'Falsehood' at Brewster

Attempts to Testify on Hughes Employment, But Ferguson Refuses to Let Him Speak

Hugh Fulton, former counsel of the Senate War Investigating Committee, today hurled the charge of "falsehood" at Senator Brewster, committee chairman. The charge was made after Mr. Fulton had been denied the witness stand in the War Investigating Subcommittee's hearings in the Howard Hughes airplane contracts to reply to statements made last night by Senator Brewster on a radio program.

Mr. Fulton sought to explain his employment as counsel by Mr. Hughes, millionaire airplane builder and film producer. He finally announced he would make his statement at a press conference this afternoon.

Senator Brewster, in the course of his feud with Mr. Hughes, had testified earlier this week that Mr. Fulton, who left the committee

several years ago to practice law, had called on him and suggested a report could be made to the Senate on the Hughes' contracts without an investigation.

Again, on the radio last night, Senator Brewster touched on what he said were efforts to head off the investigation.

This touched off the daily verbal explosion in the Senate investigation when Mr. Fulton took the witness chair but was prevented by Chairman Ferguson of the subcommittee from saying anything for the record. Mr. Fulton continued his efforts to make a statement after Senator Ferguson had announced the subcommittee had decided to deny his application to appear as a witness.

The microphone at the witness chair was cut off, but Mr. Fulton made half a dozen attempts to

See BREWSTER, Page 1

Life

get in to see Meyer

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start talking. Each time Senator Ferguson drowned out his voice, insisting he could not go on.

Mr. Fulton finally managed to get a word in, but he would have to take his statement to the press and Senator Ferguson asked him to vacate the witness chair.

Heard Radio Program

In the hallway outside the hearing room Mr. Fulton was asked if he was telling Senator Brewster a lie.

"I say there are falsehoods and if that constitutes a lie, it is a lie," Mr. Fulton replied.

Asked to specify the statements in Senator Brewster's testimony he regarded as falsehoods, Mr. Fulton said he would do so at the press conference.

Mr. Fulton told newsmen he had driven all night from his farm at Frenchtown, N. J., near New York, after hearing Senator Brewster repeat on the radio program the assertions he labelled "falsehoods."

Senator Brewster was not at the committee hearing when the Fulton flap occurred, having left for his home in Maine.

Mr. Fulton told reporters he had been engaged as one of Mr. Hughes' counsel for about six weeks, but is not employed by him now.

Mr. Hughes has testified that he employed Mr. Fulton to represent him, but later ended the employment in a dispute over fees. He said a bill for \$20,000 submitted by the former committee counsel finally was settled for \$10,000.

"When Senator Brewster first referred to me in the hearings," said Mr. Fulton, "I wrote to Senator Brewster a four-page letter, and sent copies to Chairman Ferguson and Mr. Hughes, about being heard."

Had Been Summoned to Probe

He said a committee investigator had called him in New York requesting him to appear, but while he was en route from New York Thursday, the subcommittee entered into the agreement to drop the entire matter of the personal charges between Senator Brewster and Mr. Hughes.

"Yesterday, I talked to Chairman Ferguson and he asked me not to persist in trying to be heard, and I went back to New York, and was out at my farm in Frenchtown, when I heard Senator Brewster on the radio program in which certain false statements were reiterated," Mr. Fulton continued.

"I drove all night to get here and made my application to be heard this morning. Chairman Ferguson said it probably would be denied."

Finding Mr. Fulton in the witness chair when he reached the committee room, Senator Ferguson went into a conference with Senator Pepper, Democrat of Florida, only other committee member present. He then explained to Mr. Fulton that it was necessary for the subcommittee to get on with the subject under investigation (the war contract) and that if he were permitted to testify it would cause others to come in with statements on the Brewster-Hughes controversy.

As Mr. Fulton attempted to make his statement, Senator Ferguson pounded his gavel and shouted that the committee has decided that "our application is denied and the decision is final."

"I-acted persistently," Mr. Fulton said.

Again Senator Ferguson pounded his gavel.

"They have declined even to hear the application to be heard and that is not in line with any previous committee procedure," Mr. Fulton got in.

"Mr. Fulton, this is final," Senator Ferguson shouted, pounding away.

"I have no alternative but to give it to the press," Mr. Fulton shouted back.

Senator Brewster declared on the "Meet-the-Press" broadcast last night that Mr. Hughes tried to have Republican National Chairman Reece "bring pressure on me" to stop the investigation.

He accused Mr. Hughes of having "set out to destroy my usefulness" as committee chairman and as a member of the Senate Interstate Commerce Committee, which has considered aviation measures, especially the community airline or "chosen instrument" bill.

Tells of Telegram to Reece

"Mr. Reece received a wire from a Hughes attorney," Senator Brewster related. "Mr. Reece did not speak to me about it, but his secretary showed me the wire. I told her to send it back where it came from."

In testimony before a War Investigating Subcommittee earlier this week Senator Brewster denied a Hughes charge that he offered to call off the hearings if Mr. Hughes would agree to a merger of Trans-World Airline, which he controls, with Pan American Airways and support the "chosen instrument" plan. Senator Brewster countered then with the statement that Mr. Hughes, through Mr. Fulton, re-

sisted to have him and the investigation.

The Senator remarked last night that "we all have learned some lessons from the hearings this week," particularly in connection with entertainment expense accounts of big corporations. But he added that he did not believe "two or three ham-and-egg breakfasts during the past year" with Pan American officials swayed his judgment on aviation legislation.

Two other members of Congress joined in the general comment on the committee investigation.

Senator Thomas, Democrat of Oklahoma said before leaving for England last night that he thought Mr. Hughes' parties were "good but other people have done better."

Senator Hiram Bingham said:

"I regret that I missed any of them," he said. "From what I have read they sounded like a lot of fun. Entertainment is a part of business—a vital part. I think that every one in Congress has been entertained at some part of parties."

The Oklahoma Senator added that he thought the Hughes parties were on a "smaller scale than one of the parties I have heard of. There are people with less money than Hughes who have spent more money on entertainment."

Representative Gurn, Democrat of Tennessee described the conduct of the Investigating Committee as "nauseating" and "pitiously sneering in lowering the prestige of Congress."

Referring to Republican claims that the presence of a Democrat in the White House prevented the GOP from reaching its goal of \$2,000,000,000 in budget cuts this year, Mr. Gurn said:

"Well, there are some things that cannot be blamed upon the President. He didn't recommend the wasting of the people's money to carry on a lot of junk and useless publicity-seeking investigations such as the nauseating Brewster Committee."

Besides covering much of the ground gone over at a press conference earlier yesterday, Senator Brewster's interview last night also touched on reports that he has vice presidential aspirations. Asked if Sam Pryor, a Pan American vice president and former Republican national committeeman from Connecticut, was getting delegates for him, Senator Brewster replied: "Mr. Sam Pryor is preoccupied with too many other things to be getting votes for me for Vice President."

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Sen. Brewster Charges 'Fixed' Poker Games Got War Contracts

High U. S. Officials Were Allowed to Win
Big Sums to Influence Awards, He Says

DEXTER, Maine, Aug. 10 (UP)—High military and civilian procurement officers were allowed to win huge sums of money in "fixed" poker games during the war by contractors who wished to gain their favor, Sen. Brewster (R) of Maine said today.

Another method used by some contractors, he said, was to award low-salaried procurement officials jobs in private industry at salaries "much in excess of their government pay" in order to influence their contract recommendations.

Reveals \$1,000 Bets

"There were poker games in which \$1,000 bets were made and where a procurement officer or other person whose favor was sought was always allowed to win," he said.

"In this connection, I know that there are two million \$1,000 bills in circulation, and I know that some of the holders of these bills would like to sell them for \$800 to avoid explaining where they came from," he said.

Brewster, home now for a month's vacation, said he regretted the publicity given to "girls and parties" in the investigation of a \$40,000,000 contract to Howard Hughes. He added that he expected the investigation would lead to "high places."

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
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Mr. Gurnea _____
Mr. Harbo _____
Mr. Hendon _____
Mr. Jones _____
Mr. Leonard _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____

Miss Gandy _____
Underhill

Call Probe "Certain Ruler"

Describing the Hughes investigation as "only a certain ruler," Brewster said his committee may disclose that generals, admirals and others high in government circles might have been involved in contract "deal."

However, he refused to name the high-ranking officers and others who will be called before his committee sometime next month and October.

"We may even uncover a few more 'May-Carson' cases," he said. "It will not be the fault of the committee if the investigation leads us into high places. We intend to follow through evidence of fraud or collusion in the award of war contracts, no matter where it leads."

Fulton Hits Committee On Handling of Inquiry

Former counsel Hugh Fulton of the Senate war investigating committee charged last night that by the handling of the Howard Hughes inquiry, the committee had "thrown away the reputation it had taken years to build up."

In a radio interview, Fulton said that Committee Chairman Brewster of Maine had made a "fatal error" in trying to investigate the millionaire plane builder and push his community airline bill at the same time.

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Pepper Sees Politics in Plane Probe

Hughes Defended As 'Sincere Young Man'; Senator Asks Other Investigations

By the United Press

Senator Claude Pepper (D., Fla.) said yesterday that the Senate War Investigating Committee decided to make the politically hot Howard Hughes inquiry its "big case" for 1947 and charged indirectly that Republican members had their eyes on next year's presidential election.

Pepper, ranking committee Democrat, said it was a "strange coincidence" that other cases of alleged fraud against the Government were passed over in favor of the Hughes probe in which the late President Roosevelt and his son, Elliott, were involved.

Describing Hughes as an "earnest, sincere young man" who is "deeply hurt" by charges made against him, Pepper said in a radio interview on Ed Hart's Forum (Station WINK) that the inquiry has "done nothing" to increase the prestige of Congress and has failed to prove that fraud or corruption was involved in the 40 million dollars of Government contracts obtained by the West Coast plane builder.

Meyer Still Sought

Meanwhile, the subcommittee's investigation of the Hughes contracts entered its third and probably final week with Chairman Homer Ferguson (R., Mich.) still looking for retired Johnny Meyer, free-spending Hughes press agent who testified earlier that he spent \$154,000 in five years entertaining big shots in Hughes' behalf.

The subcommittee wants to ask Meyer some more questions and slapped a subpoena on him to force him to appear. But United States marshals thus far have been unable to find him and Hughes flatly refused to help in the search.

Ferguson said he had no further plans to force Meyer to appear and would rely on the subpoena to get results. He intends to wind up the hearings in another two or three days.

The feud between Hughes and Senator Owen Brewster (R., Me.) which threw the committee into turmoil last week had all but subsided last night. Brewster, chairman of the full committee, has left town for a four-week vacation in Maine and Hughes appeared ready to let the issue drop.

Fulton Aims Views
But Hugh Fulton, former chief counsel of the committee, charged last night that, by its handling of the Hughes' inquiry, the committee had "thrown away the reputation it had taken years to build up."

In a radio interview (WJOL, Fulton, who later served as attorney for Hughes, said that Brewster had made a "fatal error" in trying to investigate the millionaire planebuilder and push his community airline bill at the same time.

He said that such procedure was contrary to the inquiry principles followed when President Truman headed the committee and he was its chief counsel.

Fulton told his radio audience that he decided to come to Washington when he heard Brewster charge that the former committee counsel had tried to get him to call off the inquiry.

He denied the charge flatly at a Saturday press conference he had accused the Senator of "deliberately stating and restating falsehoods." Fulton conceded last night

See HUGHES—Page 2, Column 1.

Mr. Tolson _____
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Mr. Clegg _____
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Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

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HUGHES—From Page 1

Sen. Pepper Sees Politics Behind Hughes' Plane Probe

that he called on Brewster, but only to urge him to conduct the investigation in a quiet, thorough manner, according to the "Truman procedure."

Says He Worried Brewster

"I urged him to let the investigation cover more ground," he said. He added that he warned Brewster that the Senator's interest in the community airline bill made the inquiry subject to suspicion if complete discretion were not used.

Fulton said that he was not employed by Howard Hughes at that time. He was retained by Hughes only after he had been convinced by his interview with Brewster that the inquiry would be conducted in the manner he wished.

Pepper, who directed friendly questions at Hughes during his four days on the witness stand, was asked during the radio interview whether he felt that the subcommittee's hearings "were held to embarrass the Democrats in 1948."

"It seemed to me," Pepper replied, "that it was an unusual thing that a contract of such little moment—40 million dollars altogether, involving two different contracts—should have been singled out and spread on the front pages of all the papers of the country."

"It seemed to me that it was due to the fact that Elliott Roosevelt was connected with one of them and President Franklin D. Roosevelt was indirectly connected with the other one—although neither is shown in any sense of the word to have been guilty of any improper conduct in respect to either one of those contracts."

Pepper said it was "an unusual coincidence that this case should have been singled out after months of preparation to be the big case which this committee would have this year."

"In the case of the big cargo plane," he continued, "Mr. Hughes put nearly \$7,500,000 of his own money into it—that is, as lost money—and a great deal of his own time and effort. He therefore derived no profit, and derived no excessive profit, out of the few million dollars which he was to get for building the other three planes."

Further Investigation Favored

Recalling that when President Truman headed the committee in usually filed unanimous reports on similar investigations, Pepper said there was "considerable doubt"

that a unanimous report would be issued this time. He did not say whether he planned to issue a minority report.

Pepper emphasized that he favored an extensive investigation of all charges of war contract fraud in the steel, aluminum and aircraft industries with the emphasis on the "most grievous cases of wrongs to the Government."

Many of them, he said, were "more important than a few expense accounts."

Hughes told the subcommittee that he started a program of levying wartime entertainment for Army procurement officers, including Elliott Roosevelt, because his previous failure to do so had made him unpopular with Army "boys" and had hindered his war contract activities.

Hughes also said that he "probably would leave this country and never come back" if the still earth-bound 200-ton plywood flying boat he built for the Government proved to be a failure.

Brewster Says Inquiry Is Only Curtain-Raiser

Dexter, Mo., Aug. 10 (AP).—Senator Brewster (R., Mo.) declared today that the Senate's current investigation of Howard Hughes' wartime contracts is "only the curtain-raiser" for investigations that may involve many high in Government circles.

Brewster, chairman of the Senate War Investigating Committee, made the statement while vacationing here.

He predicted that "generals and admirals" may be involved in the committee's probe of war contracts. He said many prominent persons will be called before the committee "sometime in September or October."

"The day of the 'little black bag' is gone," Brewster said, referring to the manner in which bribes and "gifts" were transferred in the days of the Teapot Dome oil scandal.

"Today, we have the poker games where \$1000 bets are made and where a procurement officer or other person whose favor is sought is always allowed to win."

"In this connection, I know that there are two million of \$1000 bills in circulation. That means two billion dollars. And I know that some holders of these \$1000 bills are willing to 'sell' them for \$500 in smaller bills. It's too hard to explain where you get \$1000 bills."

Mr. Tolson _____
Mr. E. A. Tamm _____
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Mr. Glavin _____
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Mr. Nease _____
Miss Gandy _____

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- Mr. Nease
- Miss Gandy

Brewster Behind Plan to Aid Peron

Discloses Plan to Train DPs in Maine for Argentina

(See story, Page 14; cartoon, Page 24, and Mr. Stokely, Page 24.)

By WADE JONES

Widening ripples of the Howard Hughes-Sen. Brewster feud today are lapping on the far shores of Europe and Argentina.

The State Department is in on the matter, examining a plan backed by Sen. Brewster and other Maine citizens to bring displaced persons to Maine and train them there for technical jobs in Argentina.

First news of the hitherto unpublished plan leaked thru Sen. Brewster himself in a telephone conversation yesterday with The News from his home in Dexter, Me.

Asked a question regarding to his running controversy with Howard Hughes, Sen. Brewster answered irrelevantly with news of the plan.

"They are plotting to attack me on this (the plan)," he declared. He went on:

AFRAID OF 'ATTACK'

"The State Department and the War Department know about this thing. . . I'm trying to get European displaced persons into Argentina to relieve us (presumably the United States). They are plotting to attack me on this. I speak as an American citizen and I suggest that before you approach this from a news point you do it from the point of view of your country."

A high State Department official confirmed that the department was looking into the plan but would not reveal its exact nature except that it was formulated by "a group of people in Maine" with Sen. Brewster's backing.

Sources outside the State Department said Sen. Brewster's plan was to bring the displaced persons from Europe to Passamaquoddy, Me., where they would be housed and trained technically in the new deserted village built for the Passamaquoddy power project.

After several months training they would be sent to Argentina to take technical jobs. The city

of Eastport, Me., reportedly would benefit in that its tax structure to pay for the utilities it extended to defunct Passamaquoddy would be broadened with addition of the displaced persons.

In revealing his plan to provide technical assistants for the Peron government, Sen. Brewster lashed out at Hugh Fulton, former Truman Committee counsel who last week accused Sen. Brewster of falsely stating that he (Fulton) had threatened him (Brewster) with "brickbats" if he didn't call off the Hughes probe.

The Maine Republican called Mr. Fulton a "paid representative" of the Argentine government. It was disclosed last week that Fulton is considering taking on a job as Argentina's representative in this country, but sources near him said today he hadn't actually accepted the assignment, despite having talked it over at the White House.

'Civil War' Brews Among Hughes' Probers

Meanwhile, a widening split between Republicans and Democratic members of the Senate committee investigating Howard Hughes' \$44,000,000 war plane contracts threatened today to heat over in an angry political wrangle.

Mr. Hughes was called to the stand for a fifth day and faced questions regarding his assertions Army procurement officer showed "hatred" because he declined to kowtow to them.

But in the "subcommittee" which their third week of hearing war within the committee's jurisdiction to overshadow the testimony of the millionaire Hollywood star builder.

The long-smouldering dispute broke into the open last night when Sen. Claude Pepper (D., Fla.) told a Washington radio audience (WINX) the inquiry had "done nothing" to enhance the prestige of Congress. He charged indirectly the GOP majority on the committee was investigating with one eye cocked on next year's presidential race.

Recalling when President Truman headed the committee it filed numerous reports on similar investigations, Sen. Pepper, a ranking committee Democrat, said there was "considerable doubt" a unanimous report would be issued this time.

A sub-committee headed by Sen. Homer Ferguson (R., Mich.) is conducting the actual investigation of Mr. Hughes but the full committee will make the final judgment in the case. Sen. Pepper is a member of the sub-committee as well as of the full committee.

In other developments: o Committee sources said no witnesses may be called in an effort to bring out a reportedly large sex-practice whereby war contractors conducted their business with the Government in an aura of ju parties and lavish entertainment in Federal procurement officials.

o Sen. Brewster, full committee chairman, said at Dexter, Me., his military and civilian purchasing officers were allowed to win \$100 bets by war contractors in "fix" poker games. He said the present inquiry is only "a curtain raiser" and that high Government official may be called in later phases of the investigation.

Johnny Meyer

B-574
Hughes
with
Miss Gandy

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WASHINGTON NEWS
DATE 8-11-47

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Hughes Quiz To 'Stand Up' Party Girls

By FRANK HOLLMAN

The stage managers of the show's big summer extravaganza, the Howard Hughes investigation, have definitely decided not to summon any Hollywood party girls, and will try their darndest to keep the star players calm, cage the freaks, and wind up the show on a sober note some time this week, it was learned yesterday.

Unless Johnny Meyer walks into the ever-loving arms of a lanky U. S. marshal somewhere, and sings his song of merry-making again, Sen. Ferguson (R) of Michigan has high hopes of pulling down the tent soon after Hughes winds up his own testimony, it was said.

Pepper Charges G.O.P. 'Follies'

Meanwhile, just to keep the show going, Sen. Pepper (D) of Florida, a member of the Senate investigating subcommittee, yesterday accused the Republicans of playing politics by pouncing on the \$48,000,000 Hughes war plane contract, which was strictly small potatoes during the war, simply because Elliott Roosevelt's name was involved.

Later, he told a reporter the spectacular investigation has cost the taxpayers at least \$25,000. The only thing it has accomplished so far, he said, is to expose the strange items which many large corporations, besides Hughes' outfit, included in their expense accounts.

Hall or Krug May Resign 'Show'

Another committee source said the group decided not to call the Hollywood glamor girls because it definitely does not wish to set off any more dirty dramatics, such as those which rocked the Capital for the past two weeks.

The party business may explode again, however, if Col. James O. Hall, who succeeded Elliott Roosevelt as the reconnaissance aviator, is shot at Meyer's affair, insists on testifying, or if Secretary of Interior Krug demands a hearing.

Mr. Tolson _____
Mr. E. A. Tamm _____
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Mr. Jones _____
Mr. Leonard _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Mrs. Gandy _____

Hughes
John Meyer

Johnny Meyer
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Hughes Quiz To 'Stand Up' Party Girls

By FRANK HOLLMAN

The stage managers of the Senate's big summer extravaganza, the Howard Hughes investigation, have definitely decided not to summon any Hollywood party girls, and will try their damndest to keep the star players calm, cage the freaks, and wind up the show on a sober note some time this week, it was learned yesterday.

Unless Johnny Meyer walks into the ever-loving arms of a husky U. S. marshal somewhere, and stops his song of merry-making again, Sen. Ferguson (R) of Michigan has high hopes of pulling down the tent soon after Hughes winds up his own testimony, it was said.

Pepper Charges G.O.P. 'Follies'

Meanwhile, just to keep the show going, Sen. Pepper (D) of Florida, a member of the Senate investigating subcommittee, yesterday accused the Republicans of playing politics by pouncing on the \$40,000,000 Hughes war plane contract, which was strictly small potatoes during the war, simply because Elliott Roosevelt's name was involved.

Later, he told a reporter the spectacular investigation has cost the taxpayers at least \$25,000. The only thing it has accomplished so far, he said, is to expose the strange kinks which many large corporations, besides Hughes' outfit, included in their expense accounts.

Hall or Krug May Happen 'Next'

Another committee source said the group decided not to call the Hollywood glamor gals because it definitely does not wish to set off any more dizzy dramatics, such as those which rocked the Capital for the past two weeks.

The party business may explode again, however, if Col. James G. Hall, who succeeded Elliott Roosevelt as the reconnaissance aviation bigshot at Meyer's affairs, insists on testifying, or if Secretary of Interior Krug demands a hearing.

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
Mr. Egan _____
Mr. Gurnea _____
Mr. Harbo _____
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Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

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with Hughes

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Jennings Ferry Summer Stock

NASHVILLE

I haven't the slightest desire to hockle the Senate War Investigating Committee. I wish it well. In wartime much goes besides bravery. The more we know about it, the better our chances of reform. Every scandal the Committee tracks down subtracts that much from war's fascination. I hope the Committee yet may find—and stay on—the track.

Meanwhile it must be apparent even to Chairman Ferguson that the Howard Hughes affair was a poor choice for a Summer's excursion, and that the Committee has been rather thrown by it. Up to now, at least, the quarry has come off better than the pack. There is little room to doubt that in any popularity poll Hughes would top the Committee by several decibels of applause.

This is not all the fault of the Committee—of this committee. It can be, as Mr. Ferguson himself suspects, that Mr. Hughes has had some excellent public relations advise. Certainly he has succeeded in lifting the role of the person aggrieved and capturing the sympathy that goes with it.

In this he has had the assistance, of course, of the unphotogenic personality of Sen. Brewster as well as the failure of Mr. Ferguson himself to keep his temper in check.

Lilienthal Inquisition Helped Set Stage for Hughes

It is worth considering, however, whether Mr. Hughes would have drawn so amiable a public response but for the fact that the conduct of other Congressional investigating committees has left so unfavorable an impression. The semi-barbaric inquisition upon David E. Lilienthal before his commission to head the Atomic Energy Commission, for example, and the notorious witch hunts of the House Un-American Affairs Committee, have given the people generally a warmer feeling for the



Perry

"victims" of the quiz-committees' methods. Bobby Burns is not so long dead but that many among us still treasure the doctrine that every man has his rights, and it need not surprise us—Mr. Ferguson or any of us—to see that, in "standing on his rights," Mr. Hughes becomes the symbol of inherited and homespun sturdiness.

These Congressional committees do have a high prerogative; they may look where they please, summons whom they please; they have all the authority of the representative branch of government, their purpose is to give light for legislation and, incidentally, to open the door for criminal prosecution where crimes are uncovered. It is unfortunate that some of them seem to forget that every man who faces them owns a part of the sovereignty from which their commission proceeds, and that they owe him certain elemental courtesies.

And Committeemen Are Accustomed to Docility

It is something more than a possibility, too, that the more impressionable members of these committees, habituated to the sport of frying Government employees whose living is at stake, tend to expect a similar awe of all comers and to be infuriated when they encounter a departure from that accommodating docility. It is not refreshing to them (though it should be, and seems to be taken for refreshment by the public) when an unencumbered witness replies, "Now look here, Senator, or 'I don't know why I should answer that.'"

Mr. Hughes looked like a likely customer for Sen. Ferguson's committee. His plane hasn't flown; there was an Elliot Roosevelt angle. On the other hand, a good casting director might have warned the Committee that, to the public at least, there is a difference between a man who merely makes planes and one who flies them, between one who has made huge profits on a contract and one who stands to lose a scud of his own money. The question for the Committee now is whether, having overbilled its opening attraction, it will continue to play out the flop.

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Coffey _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Egan _____
Mr. Carson _____
Mr. Harbo _____
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Mr. Mumford _____
Mr. Starke _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

John W. Meyer

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Expect Hughes Hearing To Conclude This Week

By BOB CONSIDINE

WASHINGTON, Aug. 10 (INS).—The Howard Hughes hearing, noisiest Senate inquiry in years, will collapse this week. Members of the war investigating subcommittee left here in such numbers over the weekend that the final days of testimony will be heard only by Chairman Ferguson (R-Mich.) and Sen. Pepper (D-Fla.).

The West Coast plane-builder, who has threatened to desert his vast business empire and leave the country if the 200-ton seaplane he has been building with government and personal funds since 1942 fails to fly, will conclude his testimony tomorrow.

All efforts by Sen. Ferguson to find Hughes' free-spending publicity man, Johnny Meyer, have been fruitless.

Hughes accuses Ferguson of wanting to get himself and Meyer on the witness stand at the same time, to account for nearly \$150,000 expended on "entertainment" of Army and Navy officers, Secretary of Interior Krug, Governor of Washington Walgren and other officials.

Hughes probably will be followed to the stand by Col. James Hall, who succeeded Elliott Roosevelt as chief of the AAF's photo-reconnaissance branch during the war. Meyer's expense accounts indicate that about \$4,000 in Hughes Aircraft Co. funds was charged to the "entertainment" of Hall and his friends.

'Proved Nothing'

Hall's defense is expected to be the same as Roosevelt's—that Meyer padded the accounts and that he was only one of many entertained at the same time.

At Sen. Pepper's suggestion, depositions may be taken from Generals H. H. Arnold, Carl Spaatz and Barney Giles, concerning their war-time endorsement of the Hughes' photo-reconnaissance plane, the F-11. Pepper "doubted very much" they would appear on the stand, he said today.

"The committee has proved nothing in the way of fraud in relation to the contracts under question," Pepper declared. "I think Howard Hughes has shown a commendable performance on the stand, despite the 'ragging' he has undergone."

Sen. Brewster's radio charge that Hughes packed the caucus room with a clique is preposterous. From everything we have uncovered I would say Hughes stands out as a man of great principle and patriotism."

Pepper added he was in a quandary on what action might be taken against Meyer, whose absence from Washington hops perhaps a week off the duration of the hearing.

"Our committee has no authority to press Sen. Cahn's draft-dodging accusations against Meyer," Pepper said. "Our job is to look into war frauds. The Justice Department might do something about it at some later date if they care to open the whole question of wartime deferments."

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Coffey _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
Mr. Egan _____
Mr. Hendon _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____

Mr. Gandy _____
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Probe Steel and Aluminum, Too—Pepper

Hughes Show Is Entering Last Act; Brewster Leaves on a Vacation

WASHINGTON—Pressure was building today for a full scale Senate probe of the wartime steel and aluminum industries as a follow up to the Howland Hughes investigation.

Though several "additional witnesses" were promised by Subcommittee Chairman Sen. Homer Ferguson (R., Mich.), little further was expected from the Hughes probe. Barring unexpected developments, Ferguson counts on winding up the hearings within the next two or three days.

Sen. Claude Pepper (D., Fla.) argued in effect yesterday, however, that the end of the Hughes inquiry should really mark the beginning of a wider and more brutal march into the wartime operations of the aluminum and steel corporations.

Here is

"Coincidence"

Pepper, who has fought the tactics of the GOP-weighted committee throughout the past two weeks of hearings, got in his shot during a radio interview over Washington station WINX.

He was asked whether he believed the hearings "were held to embarrass the Democrats in 1943."

Pepper charged, indirectly, that the GOP command had tried a subterfuge expedition with an eye to next year's Presidential election.

It was "an unusual coincidence," he emphasized, that the War Investigating committee should have singled the Hughes contracts out as its "big case" for 1947.

The Name

Remember

"It seemed to me," he said, "that it was due to the fact that Elliott Roosevelt was connected with one of them (for a photo-reconnaissance plane) and President Franklin D. Roosevelt was indirectly connected with the other one (for a giant cargo flying boat)—although neither is shown in any sense of the word to have been guilty of any improper conduct in respect to either."

Pepper stressed that no hint of fraud or corruption on Hughes part had been shown.

Brewster Of

in Vacation

Pepper said he had heard of an in which steel companies subverted wartime bids identical down to the fourth decimal point. He also cited reports of steel and aluminum industry leaders trying to preserve "their independence" even during the war.

They was no sign the Republic

can-commanded committee would follow Pepper's recommendations—certainly not in the near future. Sen. Owen Brewster (R., Me.), after tangle with Hughes last week over the latter's charge that Brewster tried to pressure him in the interests of the rival Pan-American Airways, has left the capital for a four-week vacation in Maine.

Ferguson meanwhile told reporters that "several additional witnesses" will wind up the hearings, which adjourned Saturday, with Hughes on the stand, until this morning.

Did's

Like Him

Hughes then explained that he started a program of wartime experimentation for Army procurement officers because "one of the top ranking generals" at Wright Field, O., told him he was regarded as "stuck up." Emphasizing that he'd spent \$7,300,000 of his own money on the experimental flying boat, Hughes said:

"My reputation is wrapped up in it. I have stated that if it fails I will leave the country. And I mean it."

The huge plane, on which the Government has spent \$18,000,000 has not yet been flight tested. Hughes did not indicate whether he meant that to be the ultimate test.

More About

Expenses

Ferguson refused to identify any of the "additional witnesses" in ad-

vance. Other committee sources said, however, that they will be persons listed on the \$164,000 expense accounts of John W. C. Ferguson, public relations man for Hughes.

At last reports, U. S. marshals and committee investigators were still trying to find Meyer to hand him the subpoena issued Friday by Ferguson after Hughes refused to help find him for encore testimony.

There was no sign Ferguson intended to reverse his refusal to permit Hughes' union, former committee chief counsel, to air charges that Brewster was guilty of "deliberately stating and re-stating falsehoods."

Supports

Hughes Story

Banned from the witness stand on Saturday, Fuhon scheduled an appearance over the radio last night to repeat the statements he made at a Saturday press conference.

Fuhon, who at one time served as attorney for Hughes, said in a statement issued after the subcommittee refused to hear him, that his evidence would have "endangered" Brewster and would have supported Hughes charge that the Senator pressured the plane producer to "go along" with a bill to establish a single American overseas airline.

Early in his testimony, Fuhon swore that Brewster told him he would call off the public investigation of his contracts if Hughes would agree to a merger of his Trans World Airline with the Pan-American Airways. Brewster, also under oath, denied this.

Mr. Culler _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Avers _____
Mr. Carson _____
Mr. Harbo _____
Mr. Hendon _____
Mr. Mumford _____
Mr. Starks _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

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Sen. Brewster Charges 'Fixed' Poker Games Got War Contracts

High U. S. Officials Were Allowed to Win
Big Sums to Influence Awards, He Says

DEXTER, Maine, Aug. 10 (UP)—High military and civilian procurement officers were allowed to win huge sums of money in "fixed" poker games during the war by contractors who wished to gain their favor, Sen. Brewster (R) of Maine said today.

Another method used by some contractors, he said, was to award low-salaried procurement officials jobs in private industry at salaries "much in excess of their government pay" in order to influence their contract recommendations.

Reveals \$1,000 Bets

"There were poker games in which \$1,000 bets were made and where a procurement officer or other person whose favor was sought was always allowed to win," he said.

"In this connection, I know that there are two million \$1,000 bills in circulation, and I know that some of the holders of these bills would like to sell them for \$600 to avoid explaining where they came from," he said.

Brewster, home now for a month's vacation, said he regretted the publicity given to "gigs and parties" in the investigation of a \$40,000,000 contract to Howard Hughes. He added that he expected the investigation would lead to "high places."

Calls Probe "Curtain Raiser"

Describing the Hughes investigation as "only a curtain raiser," Brewster said his committee may decide that generals, admirals and others high in government circles might have been involved in contract "deals."

However, he refused to name the high-ranking officers and others who will be called before his committee sometime next month and October.

"We may even uncover a few more 'May-Garson' cases," he said. "It will not be the fault of the contractors if they are caught as they are. We intend to go to the bottom of this thing. We will not stop until we have cleared up the whole thing. We will not stop until we have cleared up the whole thing. We will not stop until we have cleared up the whole thing."

Fulton Hits Committee On Handling of Inquiry

Former counsel Bruce Fulton of the Senate war investigating committee charged last night that, by its handling of the Howard Hughes inquiry, the committee had "thrown away the reputation it had taken years to build up."

In a radio interview, Fulton said that Committee Chairman Brewster of Maine had made a "fatal error" in trying to investigate the millionaire plane builder and push his community airline bill at the same time.

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
Mr. Carson _____
Mr. Egan _____
Mr. Gurnea _____
Mr. Harbo _____
Mr. Hendon _____
Mr. Jones _____
Mr. Leonard _____
Mr. Pennington _____
Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

Hughes

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John W. Meyer

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Pepper Sees Politics in Plane Probe

Hughes Defended As 'Sincere Young Man'; Senator Asks Other Investigations

By the United Press

Senator Claude Pepper (D., Fla.) said yesterday that the Senate War Investigating Committee decided to make the politically hot Howard Hughes inquiry its "big case" for 1947 and charged indirectly that Republican members had their eyes on next year's presidential election.

Pepper, ranking committee Democrat, said it was a "strange coincidence" that other cases of alleged fraud against the Government were passed over in favor of counsel had tried to get him to call the Hughes probe in which the late President Roosevelt and his son, Elliott, were involved.

Describing Hughes as an "earliest, sincere young man" who is "deeply hurt" by charges made against him, Pepper said in a radio interview on Ed Hart's Forum (Station WINX) that the inquiry has "done nothing" to increase the prestige of Congress and has failed to prove that fraud or corruption was involved in the 40 million dollars of Government contracts obtained by the West Coast plane builder.

Meyer Still Sought

Meanwhile, the subcommittee's investigation of the Hughes contracts entered its third and probably final week with Chairman Homer Ferguson (R., Mich.) still looking for retund Johnny Meyer, free-spending Hughes press agent who testified earlier that he spent \$184,000 in five years entertaining big shots in Hughes' behalf.

The subcommittee wants to ask Meyer some more questions and slapped a subpoena on him to force him to appear. But United States marshals thus far have been unable to find him and Hughes flatly refused to help in the search.

Ferguson said he had no further plans to force Meyer to appear and would rely on the subpoena to get results. He intends to wind up the hearings in another two or three days.

The feud between Senator Senator Owen Brewster (R., Me.) which threw the committee into turmoil last week, had all but subsided last night. Brewster, chairman of the full committee, has left town for a four-week vacation in Maine and Hughes appeared ready to let the issue drop. Fulton Also Views

But Hugh Fulton, former chief counsel of the committee, charged last night that, by its handling of the Hughes' inquiry, the committee had "thrown away the reputation it had taken years to build up."

In a radio interview (WINX) Fulton, who later served as attorney for Hughes, said that Brewster had made a "fatal error" in trying to investigate the millionaire planebuilder and push his community airline bill at the same time.

He said that such procedure was contrary to the inquiry principles followed when President Truman headed the committee and he was its chief counsel.

Fulton told his radio audience that he decided to come to Washington when he heard Brewster alleged fraud against the Government were passed over in favor of counsel had tried to get him to call the Hughes probe in which the late President Roosevelt and his son, Elliott, were involved.

Saturday press conference he accused the Senator of "deliberately stating and restating falsehoods." Fulton conceded last night to HUGHES, Page 2, Column 1

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Coffey
Mr. Glavin
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Mr. Quinn Tamm
Mr. Nease
Miss Gandy

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Sen. Pepper Sees Politics Behind Hughes' Plane Probe

that he called on Brewster, but that a unanimous report would be issued this time. He did not say whether he planned to issue a minority report.

Pepper Worried Brewster

"I urged him to let the investigation cover more ground," he said. He added that he warned Brewster that the Senator's interest in the community airline bill made the inquiry subject to suspicion if complete discretion were not used.

Pullon said that he was not employed by Howard Hughes at that time. He was retained by Hughes only after he had been convinced by his interview with Brewster that the inquiry would be conducted in the manner he wished.

Pepper, who directed friendly questions at Hughes during his four days on the witness stand, was asked during the radio interview whether he felt that the subcommittee's hearings "were held to embarrass the Democrats in 1948."

"It seemed to me," Pepper replied, "that it was an unusual thing that a contract of such little moment—40 million dollars altogether, involving two different contracts—should have been singled out and spread on the front pages of all the papers of the country."

"It seemed to me that it was due to the fact that Elliott Roosevelt was connected with one of them and President Franklin D. Roosevelt was indirectly connected with the other one—although neither is shown in any sense of the word to have been guilty of any improper conduct in respect to either one of those contracts."

Pepper said it was "an unusual coincidence that this case should have been singled out after months of preparation to be the big case which this committee would have this year."

"In the case of the big cargo plane," he continued, "Mr. Hughes put nearly \$7,500,000 of his own money into it—that is, as lost money—and a great deal of his own time and effort. He therefore derived no profit, and derived no excessive profit out of the few million dollars which he was to get for building the other three planes."

Further Investigation Favored

Recalling that when President Truman headed the committee it usually filed unanimous reports on similar investigations, Pepper said there was "considerable doubt"

Pepper emphasized that he favored an extensive investigation of all charges of war contract fraud in the steel, aluminum and aircraft industries with the emphasis on the "most grievous cases of wrongs to the Government."

Many of them, he said, were "more important than a few expense accounts."

Hughes told the subcommittee that he started a program of lavish wartime entertainment for Army procurement officers, including Elliott Roosevelt, because his previous failure to do so had made him unpopular with Army "brats" and had hindered his war contract activities.

Hughes also said that he "probably would leave this country and never come back" if the still earth-bound 200-ton plywood flying boat he built for the Government proves to be a failure.

Brewster Says Inquiry Is Only Curtain-Raiser

Dexter, Me., Aug. 10 (AP)—Senator Brewster (R., Me.) declared today that the Senate's current investigation of Howard Hughes' wartime contracts is "only the curtain-raiser" for investigations that may involve many high in Government circles.

Brewster, chairman of the Senate War Investigating Committee, made the statement while vacationing here.

He predicted that "generals and admirals" may be involved in the committee's probe of war contracts. He said many prominent persons will be called before the committee "sometime in September or October."

"The day of the 'little black bag' is gone," Brewster said, referring to the manner in which bribes and "gifts" were transferred in the days of the Teapot Dome oil scandal.

"Today, we have the poker games where \$1000 bets are made and where a procurement officer or other person whose favor is sought is always allowed to win."

"In this connection, I know that there are two million of \$1000 bills in circulation. That means two billion dollars. And I know

that some holders of these \$1000 bills are willing to 'sell' them for \$500 in smaller bills. It's too hard to explain where you get \$1000 bills."

Brewster Ran Out, He Charges

Ferguson Says Mayor
Absence Stopped Show

By CHARLES R. GEM
The Howard Hughes war
contract probe was abruptly
halted today until Nov. 17,
and Hughes accused Sen.
Brewster (R) of Maine,
chairman of the Senate war
investigating committee, of
"taking a runout powder."

Subcommittee chairman Fer-
guson (R) of Michigan, announced
that the long recess was necessary
because of the disappearance of
Hughes' press agent, John W.
Meyer, but the millionaire plane
builder gratefully termed that
"absolution."

"Don't Tell That"

Hughes declared, "I didn't have
a chance to tell half my story,"
asserted he did not believe the
hearings would be resumed, and
said the postponement action was
"a complete vindication of my
position."

Referring to the fact that
Brewster, with whom he engaged
in a bitter personal feud, left
Washington for his home in
Maine, Hughes said in a state-
ment for the news: "I am not
going to be accused."

"When Sen. Brewster failed to
and took a runout powder, it was
the typical. There was no reason
why the other senators should
fight Brewster's losing battle if he
was too cowardly to stay."

He added that "public opinion"
forced termination of the hearing.
Brewster Retorts

On Maine Sen. Brewster
charged that Hughes had all
these years used his Senate com-
mittee to call off the investigation.

Brewster's statement came in
answer to Hughes' accusation that
the Senator was "too cowardly"
to continue the investigation.

Brewster told newsmen: "Mr.
Hughes started this personal phase
of it. I suggested he come in and
make charges under oath which I
would answer. He was on two or
three hours at a time for several
days. Six times he urged the com-
mittee, and I quote, 'I earnestly
urge the committee to drop this
matter right here.'"

"It seemed to me he was cry-
ing 'enough' and throwing in the
sponge. That concluded it as far
as I am concerned."

Quarrel to Hughes

Hughes said that from the time
he entered the hearing chamber
"it was very obvious that every
man and woman was looking me."

His battle with Brewster re-
sulted from Hughes' charge that
the Senator offered to quash the
probe if Hughes would agree to
change his Trans World Airline
with Pan American Airways.

Brewster denied the charge un-
der oath. The personal hostilities
apparently were ended by mutual
agreement last week, but both

(Continued on Page 4, Col. 1)

johnny meyer

Brewster Took Runout Powder, Hughes' Opinion

(Continued from First Page)

Hughes has continued to fuel the
controversy.

Hughes declared in his state-
ment after Ferguson completely
dismissed the probe that "Brewster
left the room in the backwoods of
Maine" because the hearing "was
getting too hot—he couldn't take
it."

He Avoids Lead

Hughes allowing his hint to be
picked up, Brewster said it should
be his lawyer, Thomas Black, and
called:

"Then, do you find anything
strange in that?"

Hughes laughed and said it was
not strange.

Hughes said he had come to
Washington "hoping that my
name was going to be dropped in
the next few weeks."

He added:
"But because the American peo-
ple believe in fair play I have
insisted with more friends than
I ever had before."

Asked if he would return to the
Senate stand Nov. 17, Hughes re-
plied with the "delicacy" that he
had marked much of the proceedings
"last, yes."

Request for Meyer

Ferguson insisted that the in-
vestigation is not being stopped,
and revealed that a "discovery
order" has been issued
through the State department in
an effort to catch up with the al-
lowed Meyer.

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
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Mr. Ladd _____
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Mr. Quinn Tamm _____
Mr. Nease _____

Miss Gandy _____
Hughes
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WASHINGTON TIMES HERALD
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RECEIVED ORIGINAL-11/14/47

The participants in the hearing Friday after breakfast were told that the \$104,000 on "underpayment" in furtherance of Hughes' \$40,000.000 in war plane contracts.

Pergram ordered a new subpoena issued for Meyer, but U. S. marshals have been unable to locate the free-speech publisher and Hughes refused to discuss his employer's whereabouts.

The subcommittee chairman, who asserted he could not proceed further without additional testimony from Meyer, declared that the worldwide "stay" order had been dispatched last Friday.

Stay and Hear Set

Pergram ordered Hughes to return to the witness stand at 10 a.m. Nov. 17.

The speaker said that, meanwhile, the committee staff will press its investigation of Hughes' contract, learning that the "real story" of the committee.

The plane builder said he was "quite sorry" about the committee chairman, Hughes declared:

"I would welcome a chance to dispute my story. I had about 400 pages of hand-written testimony. I didn't get a chance to present. The committee has heard from a lot of witnesses who were interviewed on the spot, and it would have been fairer to get a little more accurate information. I didn't have a chance to tell half my story."

Ready to Appear Again

Hughes said, however, that he believed "something has been accomplished" by his brief appearance on the witness stand. He explained that there had been "a great deal of misrepresentation on a lot of points" and some of this was cleared up by his initial testimony.

Hughes said he might leave Washington for Los Angeles this afternoon, but would be ready to appear before the Senate committee again Nov. 17, if the hearing resumed "later now," he said. "I'm going back to work."

Hughes expressed doubt that the Boston flying boat, which is now in dry dock at the California coast, could be "flight tested" by Nov. 17, or that the third photo-reconnaissance plane could be delivered to the Army by that date.

Third Plane Tested

Hughes cracked up in one photo-plane last summer, and another was delivered to Wright field at Dayton, Ohio, for static tests.

He said a third photo-reconnaissance plane "is now undergoing Army tests," and its delivery to the military "depends upon how soon the Army is going to be in the tests."

Hughes asserted that "I'm probably not very popular with the Army and they'll make it pretty tough for me."

He had testified Saturday that testimony on the part of Army officers at Wright field had made it impossible for him to complete his warplane contracts on schedule.

The influential aviator asserted that he did not think it was "completely fair" to postpone the hearings abruptly before he had an opportunity to tell the committee about the Army officers "who come to me and reported the sort of double which existed against me at Wright field."

He said he had the names of five officers who on various occasions told him "of the hatred which existed against me, and that the Army considered me about dead and high-hat."

Hughes contended that Pergram "gave the impression last Saturday that he didn't believe my story."

Hughes said he also was ready to bring J. B. Alexander, a former Hughes' employee and a former Army officer attached to Wright field, to the witness stand to "substantiate my story."

"I have the actual data, plans

and names of the Army officers who ran substantiate my story," he added.

Hughes insisted that Mr. de Beane's committee "I don't know the whereabouts of Johnny Meyer."

The aviator said that the man who first told him of the Wright field episode was a "very prominent former officer" and added that he did not want to reveal his name until the November hearing.

Officers Were Angry

He told newsmen he could name specific instances in which he incurred dislike of Army officers.

Once in 1944, he said, Maj. Gen. Paul, now brigadier general at Wright field, and Col. Frank Wolfe arrived at his plant. He complained:

"They arrived at noon one Saturday. They had come to see the D-1 which I had ordered to be kept secret. Unfortunately, I wasn't there and couldn't be found. They waited all day and they left, naturally angry. I don't blame them for being angry."

Hughes added that this was the "best of them" that got him in trouble with air force officers. He explained:

"I was told I had to be nice to them and entertain them. I didn't have time to do that, so I told Johnny Meyer to look after them."

Testimony revealed that Meyer spent \$104,000 on entertainment of Army officers and other dignitaries the war.

Asked if he was dissatisfied with Meyer's expenses, Hughes said: "I haven't even examined them. I made Johnny Meyer my director of public relations and told him to improve relations with Wright field because I was hated there. I can't even say whether he did a good job or a bad job."

Back to the Job

Hughes said the postponement of the hearing came "as a complete surprise to me."

He told newsmen that he was "going back to work" at his West Coast plant, "building some advanced secret stuff which I can't discuss now."

Hughes said the worst was for the Army, some of it on jet planes.

In regard to the hearings, Hughes said:

"I do not believe anyone on the committee except one man. But I think he pushed it and was behind it right along."

He was asked whether he still felt, as he testified earlier, that his reputation had been "ruined" by the inquiry. He replied:

"I don't feel that way any more. I think the press and the public, strangely enough, have seen the true light of the thing."

He expressed his gratitude to the press for the fair treatment he had been given.

- Mr. Tolson _____
- Mr. E. A. Tamm _____
- Mr. Clegg _____
- Mr. Glavin _____
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- Mr. Nichols _____
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- Miss Gandy _____

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Pr

Text of Hughes' Statement Accusing Foe of Running Out

The text of a statement made by Howard Hughes regarding the review of Senate hearings on his warplane contracts:

"I have just been asked why I think the hearing was called off."

"I believe it was called off because the people of the country render the final decision on any controversy. The public is the final judge. It was very obvious from the time I first walked into this room that the public and the press were on my side."

"They believed that there was no justification for the accusation in the first place."

"As soon as Sen. Brewster said he was fighting a losing battle against public opinion he folded up and took a retreat posture."

"Yes, when Sen. Brewster headed for the backwash of blame that was the typical Washington was getting too hot for him."

"There was no reason for the other senators on this committee to continue his battle for him if he was too cowardly to stay here and face the music."

"The other senators are so proud to carry Sen. Brewster's banner against an overwhelming avalanche of public opinion."

"I thought this investigation would drag my reputation through the mud but instead, due to the fact that the American public believe in fair play and because they converted me, I have more friends now than I ever had in my life."

Fixed Poker Games, Jobs Were Pay-Offs: Brewster

(Special to the New York Mirror)

DEXTER, Me., Aug. 10.—Fixed poker games in which high military and civilian procurement officers won huge sums, and high-salaried jobs in private industry were two of the pay-off methods used by war contractors to win their favor, Sen. Brewster (R-Me.) said today. He predicted that the further probe of war contracts will reveal improper payments running into millions.

Interviewed at his home here the chairman of the Senate War Investigating Committee said the current investigation which so far has been featured by the probe of Howard Hughes, millionaire plane builder, was only the "curtain-raiser" and that generals and admirals and others high in government circles may be involved as his committee delves further into war contracts.

Brewster refused to name the high-ranking officers and others who will be called "some time in September and October," nor the companies which handled huge war contracts.

"The day of the 'little black bag' is gone," Brewster said, referring to the manner in which bribes and "gifts" were popularly believed to have been transferred from contractor to government officials in the days of the Teapot Dome oil scandal.

"Today, we have the poker games where \$1,000 bets are made and where a procurement officer or other person whose favor is sought, is always allowed to win.

"In this connection, I know that there are two million \$1,000 bills in circulation. That means \$2 billion. And I know that some holders of these \$1,000 bills are willing to sell them for \$500 in smaller bills.

"Then, again, we find that low-salaried procurement officials suddenly become 'valuable' to certain contractors and secure jobs with them at salaries many times in excess of their government pay.

Disclaims Politics

"We may even uncover a few more 'May-Carson' cases," Brewster said, referring to the recent conviction of former Rep. Andrew May, of Kentucky and Henry and Murray Carson on bribe-conspiracy charges in connection with \$70,000,000 war contracts. Disclaiming any political motive behind the current investigation, Brewster said:

"It will not be the fault of the committee if the investigation leads us into high places. We intend to follow through, no matter where it leads."

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CALLS HUGHES PROBE 'CURTAIN-Raiser'



Sen. Brewster ... says generals, admirals and others high in Government may be involved in further investigations along lines of Hughes inquiry.

- Mr. Tolson _____
- Mr. E. A. Tamm _____
- Mr. Clegg _____
- Mr. Coffey _____
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- Mr. Nease _____
- Miss Gandy _____

Johnny Meyer

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EX-66

AUG 11 1947

New York Daily Mirror
Page 3

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All Honor And No Plot

The anticlimax in which the hearing wound up yesterday is a disconcerting. Senator Brewster, who is chairman of the War Investigating Committee under whose auspices the investigation is being held, has retired for a couple of weeks to the backwoods of Maine. Seemingly Senator Ferguson, chairman of the subcommittee before which the inquiry is being conducted felt he had been left in a lurch. That, at any rate, was the fruit of the Michiganian's bathetic ruminations on his dilemma. For yesterday morning he called the whole thing off. Another day like Saturday, and Mr. Howard Hughes would have become a national hero. Formally the proceedings have been postponed till November 17 on the grounds that the presence of Mr. Johnny Meyer is essential to the proceedings. This was a palpably absurd excuse. All that Johnny Meyer knows is on the expense accounts which are now in the committee's possession. The performance has thus been left dangling in the air, with the reputations of all member of persons in a slightly damaged condition. No dignity, however, has been sullied more than that of Congress.

The original object of investigation, you may remember, was the contract awarded in 1942 to the Messrs. Howard Hughes and Henry Kaiser for a tremendous flying boat which has not yet been delivered, and may never be. Mr. Kaiser appeared as a witness and apparently explained his retirement from the project to the apparent satisfaction of the committee. Mr. Hughes confused and complicated the whole issue by making charges that the whole investigation had been inspired by his refusal to consent to a merger of his Trans-World Air Lines and the Pan American Airways in a proposed monopoly of overseas commercial air operations, so that Senator Brewster's relationship with the proponents of this monopoly necessarily became an equally violent subject of public excitement. Then the committee permitted itself to be diverted from the question of the flying boat by General Echols' assertion that a contract for a photo-reconnaissance plane had been awarded to Mr. Hughes on the recommendation of Mr. Elliott Roosevelt over the protests of certain Air Force officials. Obviously the committee allowed itself to be dazzled by the possible political implications of this revelation, especially after Mr. Hughes' publicity representative, Mr. Johnny Meyer, testified that he had spent several thousands of dollars in supplying Mr. Roosevelt and his friends with entertainment and other luxuries at the time when he was supposed to be examining in the light of his own experience in photo-reconnaissance operations the practical virtues of Mr. Hughes' designs.

The committee, however, merely succeeded in proving that Mr. Roosevelt in accepting Mr. Meyer's hospitality had acted with great indiscretion and impropriety, which was scarcely a matter of great surprise. It did not succeed in showing that Mr. Meyer's hospitalities had influenced Mr. Roosevelt's technical judgments, for in the nature of things it was impossible to do more than to point the suspicion. Mr. Roosevelt, therefore, emerged from his hearing with an aura of vindicated in-

nocence, and as one who had fallen a victim to persecutions animated by cynical self-interest or perhaps malice. The question of Mr. Roosevelt's technical abilities was not even raised. Yet, in view of General Echols' testimony it should have been made the nub of the whole matter. For if it could have been shown that it was any less than that of the officers who had opposed his recommendation, it would have opened the question why he was assigned to such a responsibility in the first place and why his report was approved.

When Mr. Hughes finally appeared before the committee he immediately took the offensive by repeating his accusations against Senator Brewster. By this time the whole investigation had got out of hand, and there was no doubt that the discomfiture of the committee was being thoroughly enjoyed by all those who had reason to resent the often cavalier methods used by members of congressional committees in dealing with witnesses less influential and resourced than Mr. Hughes and less delighted by the public spotlight than Mr. Elliott Roosevelt. The complete absence of any rules of procedure, or any clear definition of what constitutes evidence, which has made possible so much brow-beating and other abuses of power by congressional inquisitors, had this time been adroitly turned against them.

The farcical character assumed by the Senatorial investigation brings up again various questions concerning the propriety and wisdom of the methods by which these investigations are conducted. That there was something very wrong with the conduct of the present investigation was apparent from the fact that the legislative value of the evidence so far uncovered is virtually nil, and that the hearings had been permitted to degenerate into an extremely bad-mannered and ill-tampered controversy which was being decided in the public mind, not according to relevant facts, but by political passions and personal prejudices.

The courts have long since agreed that Congress has the constitutional right to inquire into any matter that might conceivably aid it in the framing of legislation. And this is broad enough to give it unlimited powers of interrogation. Since neither the device of minority representation nor the assumption of a sense of justice and fair play on the part of the investigators can always be trusted to protect the witnesses, it has sometimes been proposed that these investigations follow rules of procedure and evidence comparable to those of courts. If this entails, as perhaps it may, too great a limitation on the right of inquiry, it is at least reasonable to ask that these interrogations be conducted with some definite legislative end in view, and thereby give direction to the examinations.

This, as it seems to us, could be achieved by vesting the inquisitorial power wholly with those committees which also have a legislative function, and by abolishing all special committees, precisely as was provided in the original version of the LaFollette-McNary reorganization bill—a reform which this hearing has made a "must" for the next Congress. If only by way of protecting the dignity of our representative institutions.

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Mr. Nease _____
Miss Gandy _____

Handwritten signature: J. Edgar Hoover

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Handwritten signature: John Meyer

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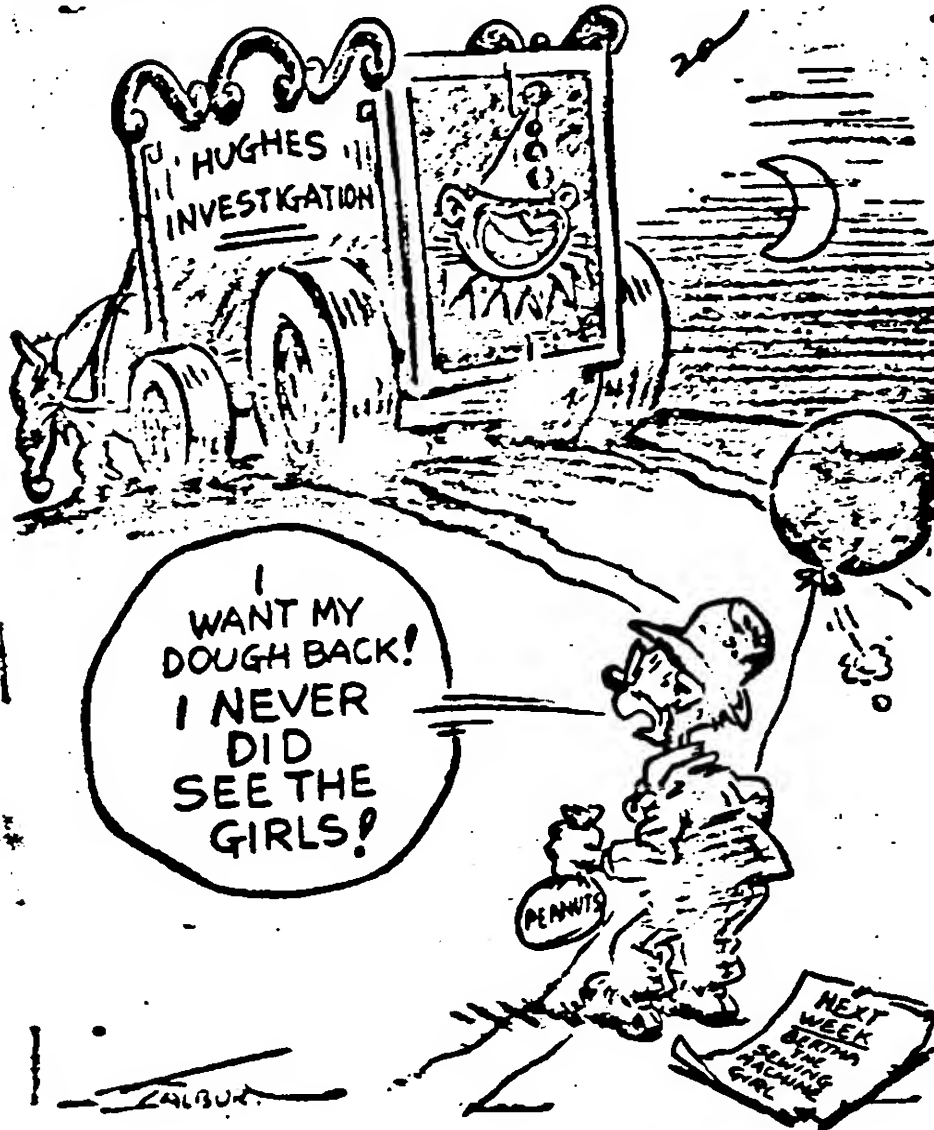
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John Meyers
THE SHOW THAT FLOPPED



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AUG 12 1947
WASHINGTON NEWS,
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FEB 9 1947

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FAIR ENOUGH

By WESTBROOK PEGLER

ELLIOTT ROOSEVELT has declared an emotional denial that he ever was his father's influence to get contracts for the Hughes company, which paid more than \$1,000,000 of the expenses of his third wedding.

He said substantially the same thing shortly after his father died, when the act was disclosed that, with the old man's connivance and help, he had chinked \$1,000,000 from John Hartford.

In the season of good hunting he took \$50,000 from David O. Harwood and \$25,000 from Charles Harwood. Harwood frankly expected Roosevelt to make him a judge of the United States district court.

Elliott dead-bast most of this total of \$775,000, but Harwood couldn't be gypped. Elliott's old man didn't come through with the judicial job and old Charlie refused to give up his collateral.

AT THE time of this revelation, Elliott Roosevelt was a brigadier general. He then hurried out of the Army before the war with Japan ended, rather than try to reconcile his default of his just debts with military law.

However, he might not have been tried because the Roosevelt brass was still mighty and a Democratic Congress was doggedly concealing corruption which only now is beginning to come out.

IN THE present instance, Elliott says his promotion to brigadier was rejected twice by General Marshall, then Chief of Staff, after it had been recommended by Generals Spaatz and Eisenhower. He was temporarily turned down, said he, because "it was unusual for a man to have as rapid a rise and because I was the son of the President."

It was not merely unusual but disgraceful that such a man should rise to the rank of brigadier in a highly technical and scientific branch in view of the fact that he had barely the equal of a patched-up and pieced-out high-school education.

He was a long-division boy in a league of astral physics and he was not a qualified military pilot.

Spaatz and Eisenhower were jumped from colonel and lieutenant-colonel respectively to the dazzling ranks of full general and general of the armies.

Roosevelt was good to officers who pleased him but vindictive to men who refused to adjust their professional judgments and their ethics to his.

Admiral J. O. Richardson was canned from command of the Pacific fleet because he foretold Roosevelt that it was suicidal to base the fleet at Pearl Harbor and, in effect, told this bathtub Nelson that he was just a mama's boy splashing about with celluloid ducks under the eyes of his nurse.

IN HIS book, "As He Saw It," by which Elliott exploited his relationship to the election returns for another \$50,000 in royalties, the young toadspot boasts, between accounts of drunken brawls of the gods of war, that he personally got the Legion of Merit for Eisenhower.

He put the idea in his old man's head and was delegated to see that General Brent Smith drew up a citation—North African campaign, 61st Division campaign, all that—as the President casually put it to his crib.

On the very next page he is back again on Egypt A. Moore. There he reports that eight Navy chief cooks and stewards had turned up

at Cairo and that, "I was not needed! I empty my glasses for those that want to drink."

IT COULD have meant little to Spaatz and Eisenhower to recommend this hard-drinking young master of moochery and household politics for a rank in which he was so unimportant that he could be spared for historic debauchery in Cairo and Teheran and long spells of "rehabilitation," as he calls his pub-crawling, in New York, Washington and Hollywood.

Meanwhile, the young pilots who flew the lone missions and, in many cases, went down, lived in comparative squalor and never got home to "relax." Spaatz and Eisenhower would have courted trouble had they refused to recommend the promotion.

It will be observed that General Marshall did not permit in his belief that the promotion would embarrass the President but graciously gave in.

The menial officers who vindicated Roosevelt and Marshall and lynched Kimmel and Short in the inquiries after Pearl Harbor went up to dizzy heights notwithstanding the grievous guilt of some of them.

ALMOST immediately after the disclosure of the syp of John Hartford, who was finally trimmed of \$194,000 by Elliott and then bilked of his collateral by the old man on false representations that the stock was worthless, Elliott's counsel turned out a press release which said that any statement that his father ever had "promoted or assisted" in any of his shady financial dealings was "a deliberate, infamous lie."

His lawyer at that time was Randolph Paul, a New Dealer, who had been general counsel of the U. S. Treasury. Elliott had a new mouthpiece at the current Senatorial inquiry into the check-cake social life of the tarnished brass in Hollywood.

Mr. Paul may have been misled by Elliott but, at any rate, it was absolutely proved that President Roosevelt did bird-dog John Hartford like any underworld chump-hunter along Broadway, and personally rigged the scheme to syp Hartford of his security and turned it over to Elliott's divorced wife for alimony.

A few days later it was further shown that Elliott arranged a dinner party with his parents at the White House for Hill Blackett, a Chicago advertising man, whom Elliott was pestering for business for his rattletrap radio network.

Blackett said, "I assume the reason I was invited was business. Like you know what I mean. I don't have to spell it out for you. I have been entertained by lots of people who wanted business."

IN STILL another job of White House racketeering, Elliott wrote Steve Early, the old man's secretary, to defer decision on an important public utility case in Texas until he, Elliott, could come to Washington because he was "genuinely and personally interested in this thing." This is in the Senate record.

In a big theatrical scene, Elliott seems to have been taking lessons from his current wife, an actress, in the art of chewing the scenery.

"Because of the affection I bore him (meaning the old rooster) I will fight to the death to protect his name and his record," he said.

That is not even good green corn let alone heavy drammor. For money, he dirtied up his father's name and record irreparably long, long ago. But he needn't take it too hard because if anyone corrupted anyone else, the old man damned the kid.

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John Meyer
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WASHINGTON SCENE By GEORGE DIXON

REFERRING to another case: Jester who also had the handling of other people's money, *Johnny Meyer*, reeled a large and alcoholic group the other evening by declaiming:

"I guess I'm just the rich man's George Allen."

PUNK gun for pale people: As far as Howard Hughes and his travels are concerned *Jean Tripp* is enough.

DISTINCTLY peeved at being shunted into the wings after the big stars of the show made their appearance, the rotund and erotund Mr. Meyer asked Senator Ferguson if he might be excused. The investigating committee chairman asked why.

"Because," said Mr. Meyer, "I have some unfinished business I want to attend to."

"Hum!" said Senator Ferguson. "Where is this unfinished business?"

"In Paris," grinned the irrepressible Mr. Meyer.

The chesty check-grabber was almost frostbitten by the Senator's cold "no!"

WHEN Howard Hughes testified he had a witness to his conversation with Senator Owen Brewster of Maine, in which the latter allegedly offered to call off the investigation if Hughes would merge his Trans World Airline with Pan American, the young multimillionaire suddenly made things very warm for a Washington public relations man.

Hughes said he had been advised that Senator Brewster was "very tricky" and had taken a "Mr. Heflin" with him to the meeting.

Well, we all know a "Mr. Heflin" around these parts because, if you don't know him, it means you must be deaf, dumb and blind, and also a strict teetotaler. He is Mr. Marty Heflin, brother of Mr. Van Heflin of the cinema.

Mr. Heflin, who publicizes various things, including Senator Elmer Thomas of Oklahoma, was immediately beset by newspapermen demanding to know what his tie-up was with Hughes. The pressure finally became so great that Mr. Heflin had to leave the bar.

BUT that wasn't the worst. Mr. Heflin was home in bed, sleeping off a business conference, when Hughes tossed in the "Mr. Heflin" line. And it so happened that among the spectators at the hearing was his 13-year-old son, Martin Jr., who had gained admission to the ses-

sion with his cousin, Kohler Thomas, grandson of Senator Thomas.

The boys, who were born the same week in the same hospital in Oklahoma City, were jammed into the caucus room but young Heflin got out quickly when he heard about "Mr. Heflin." He employed tactics acquired as a football player at Georgetown Prep, giving the straightarm to various dignitaries, in making his exit.

He flew to a phone and routed his parent out of the seat.

"Hey, pop!" he cried. "You'd better scream!"

The sleepy Mr. Heflin asked his offspring what he was babbling about.

"They're going to get you, pop!" gibbered the loyal heir. "Beat it out of town while the going's good!"

IT TURNED out later that the Hughes' companion was Edward J. Heffron, a New York attorney, who, incidentally, stated he had never heard Senator Brewster make the supposed offer—but Mr. Heflin has not yet succeeded in convincing his offspring he shouldn't be a fugitive from justice.

MENTION of the Heflins reminds me that a few weeks ago, Marty sr. and his actor brother, Van, met in Oklahoma City en route to Ardmore, Okla., to visit their 86-year-old grandmother, Mrs. Molly Murphree.

Marty wanted to engage a plane to fly down, but Van's keepers, without whom movie stars apparently are not permitted to travel, said no on airplanes.

"Okay," acquiesced Marty meekly—too meekly, if the guardians had only known him. "We'll drive down."

The brothers climbed into an auto, but once clear of town, Marty headed for the airport. They flew to Ardmore, visited with Grandmother Murphree, who told Van she hoped he was leading a good, clean life in Hollywood but sounded darkly skeptical, and flew back—slashed time about four hours.

Van's keepers inquired how long they had spent with grandma, and Van, unthinking, replied: "Nearly three hours."

"That so?" said one of the guardians. "How far is it?"

"About 118 miles," replied Marty.

One of the keepers started to figure it out on the back of an envelope and suddenly jumped up screaming:

"Migawd! If the studio ever hears about this! That crazy brother of yours must have driven 200 miles an hour!"

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U.S. Posts Lookout At Ports for Meyer

New Subpoena Issued to Keep Missing Witness
From Leaving Country; Hughes Flies Home

By Mary Spurge
Post Reporter

From Maine to California but never issued up the Howard Hughes dispute yesterday while at every United States port a stop order was out to prevent John H. Meyer, Hughes' publicity man, from leaving the country.

Meanwhile, Hughes the airplane builder, who stopped a Senate committee in its tracks, recently flew out of Washington yesterday for his California home.

Frank Dow, Acting Commissioner of Customs said he had instructed customs collectors at all ports to stop Meyer.

The pudgy port-giving public relations man is wanted—or was wanted—by the Senate War Investigating Committee which was inquiring into the 40 million dollars in war contracts held by his boss.

New Subpoena Issued

A new subpoena was issued for Meyer when he disappeared as soon as the first one expired but Meyer couldn't be found.

It was because the peripatetic public relations man couldn't be located to testify again about his lavish expense accounts for entertaining Government officials that the fantastic Hughes hearings were called off abruptly Monday, according to Senator Homer Ferguson (R., Mich.) subcommittee chairman.

Meanwhile the International News Service, almost simultaneously, reported (1) Meyer was in Guatemala and (2) Meyer was in New York enjoying himself at his accustomed night club haunts.

At any rate, Meyer doesn't appear to be in Washington where his luggage is still remaining in his room at the Statler Hotel.

There were these other developments in the Hughes row yesterday:

1. Democrats who charged the inquiry was political and some Republicans were thinking of ways to kill off the committee headed by Senator Owen Brewster (R., Me.) when Congress comes back next January.

2. Only including Senator Clarence Doolittle (D., Fla.), a member of the committee announced improvement in Congressional rules governing all investigations.

3. Senator Joseph C. Mahoney (D., N.Y.) predicted that law governing lobbying would be tightened as a result of the inquiry, and took a slam at the so-called Pan-American Airways "monopoly" bill, of which Brewster is one of the sponsors.

4. The Wyoming Democrat said that the bill was dead as a result of the row between Brewster and Hughes, over the latter's connections that Brewster tried to "black-mail" him into favoring the bill.

Further Shot at Brewster

5. Hughes left behind a parting shot at Brewster. He said the Maine Senator had been promised the Republican vice presidential nomination by Pan American's "super-charged political machine" if he got the "community airline" bill through Congress. The charge was

made in a transcription prepared for the broadcast locally by Radio Station WINX.

6. Senator James Murray (D., Mont.) called for a Senate investigation of its own investigations—"I'm serious about that"—and said the Brewster Committee inquiry was "just another inquiry to smear every witness that takes the stand."

7. From his home in Maine Brewster kept firing broadsides back at his critics. Murray, he said, "has been trying to stop the committee for a long time."

8. At the airport Hughes told waiting marshals that Meyer wasn't with him. He told reporters he supposed Meyer would be on hand if the hearings resumed on scheduled on November 17. "I suppose he'll be back or he'll be in jail," laughed Hughes. "I guess if Ferguson gets hold of him that will be something."

9. Mill hanging over the head of the unlucky Meyer, whose lavish expense accounts for entertaining Army officers and Government officials, similar to those reported, were spread on the record, is not only a possible contempt charge but a threat of prosecution on draft charges.

10. The Senate Committee referred evidence regarding Meyer's deference to the Department of Justice.

Dow said the customs office was requested by the State Department to "take up" Meyer's passport. He tried to board any authorized ship. Under wartime legislation, still in effect the State Department has authority to prevent use of passports by any individual except by a law enforcement agency.

Members on Vacation

Some of the top members of the Senate War Investigating Committee staff were reported on vacation last night, which is taken as one indication the search for Meyer is not being pressed very hard.

In response to Hughes' charges on Ed Hart's Forum over WINX last night that Pan American had promised to help Brewster become President in return for aid on the community airline bill, Brewster declared:

"We're just begun to fight."

Boarding by rail-wishers at Washington National Airport Hughes settled himself at the controls of his converted B-23 and remarked:

"This feels a lot better than the hot seat I've been in for the last week."

Mr. Tolson	_____
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THE WASHINGTON POST
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THE WASHINGTON DAILY NEWS, WEDNESDAY, AUGUST 12, 1947

Hughes Expects 'More Dirty Blows From Brewster'

By United Press

LOS ANGELES, Aug. 12—Howard Hughes said he was convinced today his battle with Sen. Owen Brewster has just begun. He said he had no doubt a recess in a Senate investigation of his war contracts meant Sen. Brewster, committee chairman, had "just begun to fight."

"He has an unlimited capacity for hitting below the belt," Hughes said.

During the investigation of \$40,000,000 worth of war contracts, Mr. Hughes accused Sen. Brewster of blackmail and being the Senate mouthpiece for Pan-American Airways. Sen. Brewster accused Mr. Hughes of lying.

"I suppose I'll regret the rest of my life I tangled with Brewster," Mr. Hughes said.

"I don't minimize his capacity for dirty dealing, and I have no doubt that, as he says, he has just begun to fight."

Friends warned him before he went to Washington, Mr. Hughes said, Sen. Brewster was "powerful, shrewd, utterly without principle and the most accomplished liar in Washington, and that it would be murder to tangle with him."

In Portland, Me., Sen. Brewster said last night he had no doubt the Government would find out what happened to the \$30,000,000 paid the Hughes Aircraft Co. Commenting on the postponement of the Senate investigation, Sen. Brewster said "as far as I am concerned we have just begun to fight."

He said he was the victim of "malicious and unfounded" charges and accused Hughes of "spending thousands of dollars on a high-powered publicity staff to attack others."

In other developments:

• Sen. Homer Ferguson (R., Mich.) suggested today in Washington the Senate War Investigating Committee be junked in favor of a permanent joint congressional group. Sen. Ferguson, who conducted the Senate inquiry into the Hughes warplane contracts, said he believed a combined House-Senate group could do a "more effective" job than the present committee. A joint group, he said, could maintain a staff of experts to prepare all cases to be aired publicly.

Mr. Tolson _____
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The Senate investigating committee faces an apparently stiff fight for its life in January when it will be asked to grant a continuance by the full Senate.

Meanwhile, it was learned from other sources Sen. Ferguson's staff will push the Hughes inquiry during the present three-month recess.

• Industrialist Henry J. Kaiser, one of the chief witnesses in the Hughes investigation, said today in Chicago that such investigations were "fundamental and necessary."

"I am sorry Mr. Hughes didn't get a chance to present the entire side of his case," the West Coast shipbuilder said, "but I believe investigations of this type are a fundamental part of our democracy. The more they have, the more the people will know."

• Johnny Meyer, Howard Hughes' free-spending press agent who is looked for a return engagement before a Senate subcommittee, was reported back in New York today, haunting the city's plushiest night clubs where he won his spurs as a party-giver during the war.

Where Mr. Meyer was staying was a secret U. S. marshal and pretty Patricia Miles would like to know.

Miss Miles, a night club cigarette girl, had a warrant out for his arrest, charging that he was the father of her six-months-old son.

Mr. Meyer disappeared Friday. He said he had been staying in Richmond, Va.

referred to by Hughes

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60 OCT 21 1947

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WASHINGTON NEWS
DATE 8/13/47

Meyer Remains Jump Ahead Of Process Servers

NEW YORK, Aug. 13—Johnny Meyer was here—but now he isn't. Like Kilroy, the elusive publicity man and party-thrasher for Howard Hughes is still one jump ahead of anybody who is looking for him. In this case, the people looking for him are two process servers.

It turned out today that Meyer showed up Monday night at El Morocco, that Manhattan night club where he used to do a lot of check-grabbing. He also was seen yesterday having lunch at an East Side restaurant.

Among Mixing Again

Today he was again among the mixing, although it was variously reported that he was at Saratoga, watching the races, or in New Jersey or staying with friends in Manhattan.

Movie actor Bruce Cabot, who was in the party at El Morocco, was quoted as saying he might have gone to Paris. Cabot said:

"Jane Thomas, the girl Meyer is madly in love with, is in Paris and I know Johnny wants to be with her. He told me his only thought right now is to get back to Paris to see her."

It seems unlikely that Meyer has left the country, however, since the U. S. immigration department has ordered him stopped at all borders.

The Senate war investigating committee has a subpoena out for him.

Another subpoena is waiting for him in New York in a suit brought by Patricia Miles, former nightclub cigarette girl, who claims Meyer is the father of her six-months-old son.

"Hardly Know Her"

Cabot said he asked Meyer about the latter charge, and Johnny denied it. He quoted Meyer as saying:

"I'm no more the father of her baby than I am of the Dionne quintuplets. I hardly know the girl. Her charge is ridiculous."

Cabot also revealed that the gaudy party thrasher did not pick up the check at El Morocco Monday night but he couldn't remember who did.

Others at the party were movie actor David Clark, Chicago department store heiress Molly Neicher, and Stewart and Marie Barthelmess, children of the silent screen star Richard Barthelmess.

Cabot said Meyer told him he was very glad to hear that the Senate investigation of Hughes had recessed until November. He told Meyer as saying:

"I thought they could make something of Hughes, but who's the monkey now?" asked Meyer.

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1st edition

WASHINGTON TIMES HERALD
DATE 8/14/47

FEB 1 1947

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Johnny Turns Up in New York Night Spot

Johnny Meyer, Howard Hughes' now-you-see-him-now-you-don't tab-grabber, is shown visiting El Morocco in New York with movie actor Dan Clark (right) while newspaper headlines were proclaiming the recessing of the Senate hearing into Hughes' wartime aircraft contracts because of publicity man Meyer's latest vanishing act. Meyer, avoiding any reference to his boss, said: "I'm elad to hear about the recess."

Meyer Evades Paper Servers

NEW YORK, Aug. 13 (NY News)—Genial Johnny Meyer, who's been night-chubbing in his old Broadway haunts for two nights while federal men with a separate subpoena and special session officers with a warrant sought him, led the game of tag another day today. But a new legal headache, with a \$100,000 racket-railup, was being readied for him.

Mr. Tolson _____
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 Mr. Quinn Tamm _____
 Miss Gandy _____

The new trouble was a damage suit brought by Patricia Miller, blonde cigarette girl, who charged the roly-poly Howard Hughes with having fathered her illegitimate 6-month-old son.

D. O. Paston, her counsel, today added a private "statute" armed with Patricia's complaint to the small posse already tracking Meyer through the midnight entertainment jungles.

Paston said hopefully the complaint can be served on Meyer anywhere in the country—unless the warrant in the paternity action the cigarette vendor instigated. The latter is valid only in New York county.

"If Meyer evades service here and goes elsewhere, we will follow him," the lawyer declared.

The warrant officers' bureau of special sessions admitted all its efforts to catch Hughes' party-thrasher were vain, though one sleepy officer remained up until the unaccustomed hour of 4 a.m. watching a Park Avenue hotel, on a tip that he was partying there.

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Times Herald
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FEB 1 1952

ORIGINAL RECORD

These Days

by GEORGE E. SOKOLSKY

THE question still is: What happened to the \$40,000,000 that the United States gave Howard Hughes and for which there has, as yet, been no return? That was a contract to perform. Has the contract been carried through? Is there any question as to whether the contract should have been let?

All the rest of what happened at that hearing in Washington is meaningless. It is a matter of no importance whether Elliott Roosevelt did or did not pick up checks at night clubs, or whether Johnny Meyer did or did not procure girls to influence military procurement officers—except as it affects the private consciences of the individuals concerned.

It certainly does not matter what Sen. Brewster visited Sam Pryor's home at Mabe Sound. It is usual for friends to visit each other.

It is not of the slightest relationship to the issue whether Senator Brewster prefers Pan American to T.W.A., or vice versa, or whether his personal friendship with Sam Pryor made him love Juan Trippe more and Howard Hughes less. Nor does it matter that some generals dislike Hughes. There is no law against a general liking or disliking somebody.

All this is of the nature of small gossip, interesting if true, the peephole stuff that Hollywood and the Sport club find delectable, but which, no matter how magnified, does not explain what happened to \$40,000,000 of the money of the American people.

When Howard Hughes threatened to leave the United States that if his plane falls, he is silly. The United States got on before he or you or I were born. Nobody should take himself so seriously.

IN ALL the excitement over the grand and glorious time that Johnny Meyer provided for his company's prospective customers, the \$40,000,000 was side-tracked. The fact is that those who were so lavishly entertained were not the customers.

The customer was the United States of America, the American taxpayer who was visited out of a tax cut for 1947.

That customer was entertained by nobody. He was put on meat rations, butter rations,

sugar rations, gas rations, shoe rations. His wife had to stand in line to get the family groceries. His son was conscripted.

He bought war bonds till it hurt, contributed to the Red Cross, gave of his blood to the blood bank and paid more taxes than he ever thought possible. He was too busy and worried for night clubs.

HIS government spent \$314,000,000 of his money in this war. He wants to know how that money was spent and whether the almost unbelievably huge total was all necessary expenditure. He wants to know whether there was waste or graft.

He wants to know whether officers, wearing the American uniform, enriched themselves while the country was in peril.

Naturally those who are capable will use every means at hand to prevent investigation, to ridicule the investigators, to divert attention from the main issue. Public relations counsel are always available to do jobs for clients and some of them are extremely clever—more clever in handling news, photographs, packing committee rooms and fixing page one articles than Senators are. These men are worth every dollar they are paid.

BUT no matter what has been said or done, no matter what there has been of fumbling, of error of judgment or presentation, the question still is, what happened to \$40,000,000? In fact, we ought to know what happened to \$314,000,000.

Personalities are of no importance. Howard Hughes may be an angel in Hollywood garb; Senator Brewster may be the very devil who tempted Daniel Webster; Johnny Meyer may be just a country boy who fell in with bad city slickers and Elliott Roosevelt may be a veritable Diogenes seeking an honest man. Who really cares one way or the other?

What matters is, where is our money? Who was handing out contracts on a personal basis? Why were contracts let against the judgment of the chosen experts of the Army and Navy? Were the experts all wrong? Is everybody all wrong but Howard Hughes and Elliott Roosevelt?

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Mr. E. A. Tamm
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Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
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Mr. Quinn Tamm
Mr. Nease
Miss Gandy

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Hughes Charges Deal On Pan Am Bases Hidden by Brewster

HOLLYWOOD

Howard Hughes claims that Senate hearings into his \$40,000,000 in war contracts were called off because of efforts of Sen. Owen Brewster (R., Me.) to hide an asserted Pan American Airways deal with the Government for overseas airports.

Hugh Fulton, former chief counsel for Brewster's Senate committee investigating war expenditures, sought to give testimony about a Pan American deal when the Hughes hearings were suddenly postponed until Nov. 17, Hughes charged in a statement yesterday. Fulton was denied the right to appear.

Sen. Homer Ferguson (R., Mich.) had announced the delay in committee hearings because of absence of Hughes' publicist, Johnny Meyer, who arrived home here Saturday night, after Washington deputies had failed to find him for an encore before the committee.

Nothing
Hidden?

"No one on the committee is trying to hide anything," retorted Sen. Harry P. Cain (R., Wash.), a member of the Senate probing

committee who is here to inspect the planes Hughes built under war contracts.

The "deal" referred to by Hughes involved a number of overseas airports allegedly built by Pan American with Government money. Hughes said an effort of the Senate committee to investigate the matter during the war and before Brewster was its chairman was hushed because of "war secrecy."

Hughes said that when he was in Washington, he was told the investigation was not pushed because the airports built by Pan American were outside the U. S. A. and the present authorization for Brewster's committee (at Brewster's suggestion) does not permit it to go outside of this country.

Says He

Could Have

Hughes said that while the airports were built outside the U. S. A., the contract between Pan American and the Government "undoubtedly was made in this country. So it appears that Sen. Brewster has been free all the time to go to work on this investigation whenever he wanted to."

Plane-maker Hughes and Brewster clashed at the recent Washington hearings over Hughes' charge that the investigation of his war contracts was brought on by his refusal to merge his Trans World Airlines with Pan American.

Mr. Tolson _____
Mr. E. A. Tamm _____
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PM DAILY
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Brewster Probers Silenced Blast at Pan-American, Hughes Charges

HOLLYWOOD, Aug. 18 — Howard Hughes charged today that a witness at a Senate subcommittee hearing last week was silenced to prevent him from revealing an asserted deal of Pan-American Airways for overseas airports built on U. S. funds.

Mr. Hughes' new charges came as Sen. Harry Cain (R., Wash.), a member of the committee, was to be shown Mr. Hughes' \$18,000,000 plywood flying boat. At the same time, Johnny Meyer, Hughes' press agent, returned home after dodging subpoena servers in Washington.

Mr. Hughes claimed the microphone was silenced last Monday to prevent Hugh Fulton, former chief counsel of the Senate Investigating Committee, from telling of the alleged Pan American airport deal which the committee previously had started investigating.

Sen. Cain denied Mr. Hughes' charges that Mr. Fulton was silenced and the hearing "called off" to prevent him reading records proving that Pan American got overseas airports on Government funds.

Sen. Cain, at the Washington hearing, said he wanted to find out about Meyer's six alleged draft deferments. However, Cain last night said he did not necessarily want to see Meyer here. He added that the Justice Department has been asked to talk to Meyer about his draft status.

Mr. Hughes claimed that he was investigated because he refused to merge his Trans World Airlines with Pan American.

He said the earlier committee investigation of Pan American was hushed because of wartime secrecy and that it had not been pushed since the war.

"When I was in Washington, I asked why this investigation (of Pan American) had not been pushed," he said.

"I was told it was because the airports were outside the U. S. and the present authorization for Brewster's

committee does not permit it to go outside this country."

He said that while the airports were outside the U. S., the contract between Pan American and the Government "undoubtedly was made in this country" and the committee is authorized to investigate such transactions.

Mr. Tolson _____
Mr. E. A. Tamm _____
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Mr. Nease _____
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WASHINGTON NEWS
DATE 8-18-47

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Fotographer Inquiring

THE QUESTION

What did you think of the Hughes investigation?

THE ANSWERS

Robert Buckler, 1300 Massachusetts Ave. NW., salesman: It certainly did get silly enough in places. When they started bringing in all those girls and parties, the investigation turned into a side show. The senators didn't conduct the investigation with the reserve which is expected of the government. To me it seems as if Hughes was all set for an explosion when they finally decided to back water and call the whole thing off. If it didn't do anything else, the investigation gave the public a lot of laughs.



George Goodman, 4420 Third St. NW., oil burner business: What's it all about anyway? That's about the best I can offer for an answer. The whole thing was such a mad mixup I hardly know who was being investigated and for what. About the only thing they accomplished was to completely confuse everyone. Everyone wonders now just what was going on. Maybe some day we'll know the whole true story of investigation, but you can bet it won't be for a long while.



Lewis Nimmo, 885 Van Buren St. NW., cattle breeder: Well, I'm on Hughes' side. I believe the whole farce was just a big political stunt. With all the testimony, very few, if any, facts on war-time contracts came out. I can't see where Hughes did anything so wrong. If he spent the \$40,000,000 to develop a plane that is going to keep us on top in aviation, he did the country a real favor.



Mrs. Fred Conrad, Baltimore, housewife: Investigations are fine and necessary to keep things in order, but this particular one was more like a three-ring circus. It hurts the dignity of the senators, Mr. Hughes, and the investigation to drag things like those private parties through the newspapers. That should have been avoided. Even though it was getting pretty ridiculous, I think they should have continued with it until some decision was reached.



Harold R. Thies, Laurel, engineer: From the testimony I've seen I couldn't determine whether Howard Hughes was culpable or not, and after the abrupt ending I'm inclined to believe he was not only innocent but had something on some others. The investigators showed a deplorable lack of intelligence. They should never have let the investigation get so far out of hand. It was really a mess. We'd all like to know where the millions of dollars went during the war but we want no more mix-ups like that one.



Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Glavin _____
Mr. Ladd _____
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Mr. Tracy _____
Mr. Carson _____
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Robert Oliver, 1320 Connecticut Ave. NW., guide lecturer: Every-



one seems to be anxious to torment the contractors now. I believe the government was at fault in not keeping a closer check on the contracts when they were negotiated during the war. There's not much they can do about them now. Hughes

might have used some questionable tactics, at least the committee thought it possible, but I think it is too late to do anything now. The government officials should have been more careful when they were tossing around the billions.

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Times Herald

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HOWARD HUGHES

Hughes' Flying Boat Called 'Fantastic' by Cain

By the Associated Press
 LONG BEACH, Calif., Aug. 18.—At least one member of the Senate War Investigating Committee, Senator Cain, Republican of Washington is impressed with the Howard Hughes flying boat.
 Mr. Hughes took the Senator on an inspection tour of the \$25,000,000 giant—which has yet to be tested—and his first reaction was "fantastic."
 Senator Cain recovered, however, to declare to newsmen. "If it flies it will have achieved the impossible in our lifetime."
 The Senator said he was not an engineer and could not answer the question if it will fly, but said: "I hope it will fly," and added he would like to go on the first flight.
 Mr. Hughes did not permit newsmen to board the wooden-hulled craft with the 300-foot wing span, because "it is not completed." The producer, whose flying boat and XP-11 camera plane are under investigation by the Senate committee, said it might be "March or April of next year" before the giant flies.
 Senator Cain was scheduled to leave for San Francisco today en route home to Tacoma.

- Mr. Tolson _____
- Mr. E. A. Tamm _____
- Mr. Clegg _____
- Mr. Coffey _____
- Mr. Glavin _____
- Mr. Ladd _____
- Mr. Nichols _____
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- Mr. Quinn Tamm _____
- Mr. Nease _____
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WASHINGTON STAR
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FEB 9 1952
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Hughes' Flying Boat Astounds Sen. Cain on Visit

WILMINGTON, Calif., Aug. 18 (UP)—Sen. Cain (R) of Washington inspected Howard Hughes' big, eight engined plywood flying boat today and said he'd like to be a passenger on its first flight.

The young Northwester was escorted through the monster plane, still handlocked in its graving dock on the edge of Los Angeles harbor, by Hughes, who assured him that he would have to wait "at least until next March or April" if he goes along on the first flight.

"Staggers the Imagination"

"My God, this thing staggers the imagination," the senator ejaculated when he first saw the airplane.

When he emerged from his half hour tour of the craft, Cain described it as "fantastic inside as well as outside."

"It attempts to bridge the gap from the reality of 1947 into the realm of the fantastic and even the impossible," he said.

Cain said that "I don't know much about aircraft" but that he would like to have had a plane like Hughes' flying boat when he was in the war.

Hughes Jokes About Probe

"If your committee ever went to work on the Germans, the Germans would be scared to death," Hughes quipped, referring to a Senate war investigating committee's probe of his contract activities.

Cain was impressed with the airplane but cautioned reporters that the committee was investigating not whether Hughes' airplanes were worth while but whether it had been practical to grant a contract for the \$18,000,000 plant in 1942.

Mr. Tolson _____
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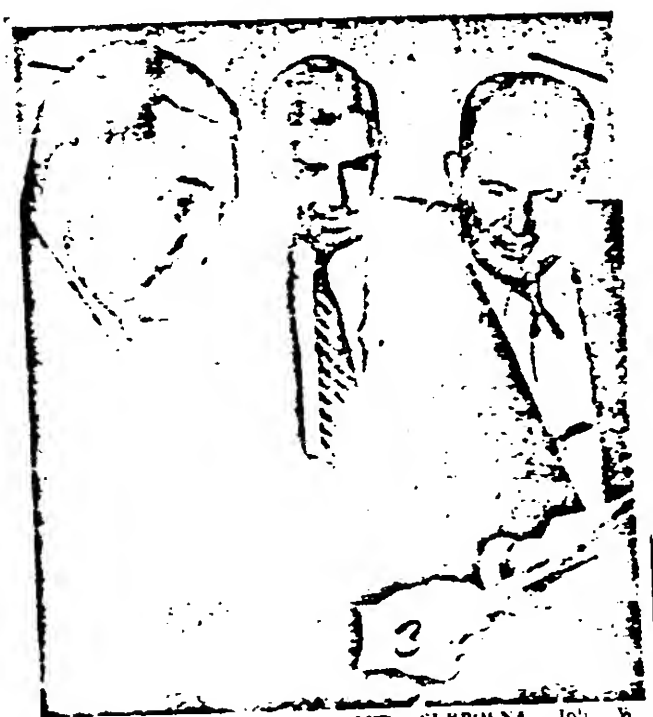
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Howard Hughes

- Mr. Tolson _____
- Mr. E. A. Tamm _____
- Mr. Clegg _____
- Mr. Coffey _____
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- Mr. Ladd _____
- Mr. Nichols _____
- Mr. Rosen _____
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- Mr. Quinn Tamm _____
- Mr. Nease _____
- Miss Gandy _____

W. J. Hughes
W. J. Hughes

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LOS ANGELES.—MEYER ACCEPTS SUBPOENA.—John W. Meyer (right), public relations man for Airplane Builder Howard Hughes, shown as he accepted a subpoena yesterday from Ray A. Ransdell, chief deputy United States marshal. The subpoena which Mr. Meyer picked up at the Federal Building calls for his appearance before the Senate War Investigating Subcommittee in Washington November 17. Man in center is George Rossini, deputy United States marshal.—AP Wirephoto.

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FEB 9 1972
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Meyer's Ex-Girl Friend Married to Millionaire

(Special to the Daily Mirror)
LAS VEGAS, Nev., Aug. 25.—Dark-haired, soft-eyed Georgette Windsor, who for a time was deposed in New York's swankier nightclubs by Johnny Meyer, Howard Hughes' vice-president in charge of picking up checks, was married here last night to Harry Cushing IV, millionaire son of Kathleen Vanderbilt.

It was the first marriage for both. But both had been altar-bound in the past. Early in the Spring they were reported ready to elope, but Georgette dashed out to California to look in on a movie role possibility.

Some said she went West to pursue Meyer, who had acquired her persistently in New York night spots.

But Johnny ended this gossip by persuading young Cushing to start westward, too. Johnny, meanwhile, had renewed his love pact with movie starlet Janet Thomas.

It was Johnny, as a matter of fact, who brought Georgette and Cushing together. One day, while trying to re-establish himself in the good graces of Janet, he asked Harry to take Georgette to lunch, knowing that Cushing had expressed a desire to know her better.

Cushing first escorted Oona O'Neill, who married Charlie Chaplin, through the nightclub belt. Then he acquired Ann Miller, the movie actress-dancer.

Cushing and Georgette flew to Boulder City, Nev., from Hollywood and drove here. They were attended by Rottie Alexander and H. C. Newman in the Little Church of the West, with Justice of the Peace Harvey McDonald officiating.

Georgette gave her age as 21. She came to Hollywood from St. Joseph, Mich.



Harry Cushing

Mr. Tolson _____
Mr. E. A. Tamm _____
Mr. Clegg _____
Mr. Coffey _____
Mr. Glavin _____
Mr. Ladd _____
Mr. Nichols _____
Mr. Rosen _____
Mr. Tracy _____
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Mr. Egan _____
Mr. Hendon _____
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Mr. Quinn Tamm _____
Mr. Nease _____
Miss Gandy _____

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New York Daily Mirror
Page 3

FEB 9 1947
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REPRODUCED ORIGINAL

WASHINGTON SCENE By GEORGE DIXON

TACOMA, Wash., Sept. 16.
UNTIL time provides the answer, there is one question which will pop up again and again and again wherever two or more Americans are assembled.

"Is Howard Hughes' mammoth flying boat a costly pipe dream or is it an imminent practicality?"

In other words, was \$40,000,000 of the taxpayers' money thrown away on a rich young eccentric's fable or was it dough well invested to put us miles ahead of the rest of the world in peace and wartime aviation?



WITH the issue as hot as it is, and due to flare up again Nov. 17, few responsible members of government care to stick their necks out by hazarding an answer. But one man has—probably one you must least expect.

He is Sen. Harry Cain of Washington—a Republican and member of Sen. Brewster's war investigating committee. You may recall him as the inquisitor who tried to hang a draft-evading tap on Johann Meyer.

The 41-year-old lawmaker, an ex Army colonel himself, which puts him in the company of the "brass hats" Hughes so bitterly denounced, determined to do his own investigating.

So he hied to Los Angeles at his own expense—becoming the only member of the Brewster committee to inspect the controversial plane in company with Hughes.

HE CAME in a frankly hostile mood. He did not like what Hughes had done to the dignity of the Senate. Now—as he is about to depart for Europe with the armed services committee—he provides me with this exclusive report on his findings.

"My Dear George: You wanted me to report on the highly controversial Hughes flying boat and I willingly agreed. Here it is.

"It's impossible to describe the indescribable, but, to my great satisfaction, I have seen it and I have registered for a seat on the trial run.

"This may seem strange, because as a member of the war investigating committee, it might be assumed I had reason to believe it was a firmament of somebody's imagination—a gigantic hoax.

"My principal investigating interest was to determine whether the original 1942 contract for the boat should have been let to Howard Hughes, or anyone else.

"The conclusion may turn out to be inescapable that the flying boat never had a remote chance of being a practical war project and that the letting of the contract in 1942 was an inexcusable mistake.

BUT we are living today in 1947, not 1942 and I am possessed of the positive feeling that the contract was a large and unnecessary mistake—this time—the result has become a

tremendous national blessing in disguise.

"Airplanes have grown increasingly in size and power but each aircraft that came along was merely an enlargement of some predecessor. Now we come to Hughes and his creation.

"It was said by some witnesses and some senators in Washington that the Hughes boat was a mere skeleton; that there was no serious intention to construct a ship that would fly.

How silly and viciously unfair such statements are proved to be by a single, thrilling visit.

"The flying boat, so far as I could determine, has been ready to fly, save for one monumental obstacle, for the better part of a year.

"It isn't capable of taking to the air today for the simple reason that, unlike any other plane ever constructed, it is completely unmanageable by the brains and hands of man. Power controls are in present-day planes but when these systems break down the crew can take over and guide the ship to earth.

BUT the Hughes boat can never take off, nor land, unless it has a power control system with a ratio of 300 to 1—300 times the strength of a man. And it must be infallible, it can't work one day and fail the next.

"Hughes can't buy a power control system. He must design it, construct it and install it. A system was installed but it didn't work. Another effort is under way. This may go on for years. Who knows?

"People casually refer to the flying boat as the largest aircraft ever attempted. It is really much more than that. It is constructed out of plywood. The heaviest all-wooden aircraft previously built weighed 40,000 pounds and was a



total failure. Hughes' all-wooden plane weighs 400,000 pounds and he states bluntly that no structural weaknesses will result.

"If his assumption is correct, just think of the uses to which plywood can be put in the years to come."

Sen. Cain reports further amazing findings on the big 'what-is-it' tomorrow.

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Ferguson Busy on Hughes Probe

WASHINGTON
 Sen. Homer Ferguson (R., Mich.) announced he is postponing his trip to Europe to work on the Howard Hughes investigation, now scheduled to resume public hearings Nov. 17.
 Chairman of a Senate War Investigating Subcommittee which conducted last Summer's hearings on

Hughes' wartime plane contracts, Ferguson had planned to leave today with other Senators to check on U. S. spending in Europe and the Near East.

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Girl Has Johnny Meyer Arrested

New York, Oct. 8 (AP)—John W. Meyer, party-giving press agent for Howard Hughes, was arrested today at a stormy session in one of his favorite night clubs, El Morocco, on the charge that he fathered the child of a cigarette girl.



After a brief visit to the Tombs, Meyer was freed at 5 a. m. on \$500 bail, which he furnished. He drove off with friends.

Patricia Miles, the 25-year-old cigarette vendor who contends that the press agent is the father of her 8 months old son, went to the police station where Meyer was questioned, but did not see him.

Miss Miles had sworn out a warrant, which could not be served until Meyer returned to New York State, while he was in Washington testifying in the Senate War Investigating Committee probe of Hughes' airplane contracts.

At that time, Meyer denied Miss Miles' charge, asserting "I never

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Hughes Aide Asks Blood Test

New York, Oct. 18 (AP).—At his own request, Howard Hughes free-
 spending press agent, will have a blood test in reply to a charge he is the father of a slender, blond cigarette girl's eight-month-old son.

Special Sessions Justice Frederick L. Hackenburg today granted the request made by Meyer's attorney, Jerome A. Strauss, and set trial on the charge for December 4.

Strauss entered a denial that Meyer is the father of the son of Patricia Miles, a nightclub cigarette girl who swore out a warrant against him when he was testifying in the Senate War Investigating Committee probe of Hughes' airplane contracts.

Meyer, free on \$500 bail after his arrest at the El Morocco nightclub early Wednesday, did not appear in court. When Miss Miles' attorney, Elvin L. Usterman, contended that his bail should be raised to \$5000, Strauss replied Meyer "is amenable to the court and will be in court on any date set by the court."

His bail remained at \$500. Lawyers in the court said blood tests are inconclusive and while they may prove a man is not the father of a child they do not necessarily prove he is the father. When Miss Miles swore out the warrant against Meyer he denied her charges, declaring "I never took her out in my life" and adding "she worked until 5 a. m."

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Hughes Aide Asks Blood Test

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When Miss Miles swore out the warrant against Meyer he denied her charges, declaring, "I never took her out in my life" and adding, "she worked until 3 a.m."

Johnny Meyer

Johnny Meyer
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Meyer to Get Blood Test in Paternity Suit

The paternity trial of Johnny Meyer, press agent for Edward Hughes, was set Friday for Dec. 4 after Special Sessions Judge Frederick L. Hackenburg granted the defense request for blood tests of Meyer, his accuser Patricia Miles, and her eight-month-old boy, Douglas.

The blood tests are to be made before trial by a doctor appointed by the court. Attorneys have frequently pointed out that such tests cannot prove that a man is the father of a given child, but can only prove that he is not the father.

Meyer was not in court and Miss Miles' attorney, Elvin I. Unterman, demanded that his \$500 bail be raised to \$5000, arguing that Meyer had "notorious tendencies to violate bail," but Judge Hackenburg rejected this request on the ground that Meyer had appeared by proxy to the person of his attorney, Jerome A. Strauss.

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JOHN WILLIAM MEYER

Howard Hughes Investigation In Process of Streamlining

By International News Service — his affairs will exclude such angles as the "Brewster-Hughes" feud, and the "Elliott Roosevelt matter."

A Senate war investigating committee is streamlining its probe of west coast plant builder Howard Hughes in preparation for a resumption of hearings about Nov. 1.

An informed source said today that the resumed inquiry into Hughes' wartime plane contracts will be trimmed down to the question of whether \$100,000 spent for entertainment was in line with what other war contractors spent and if it was properly reported for taxes.

The money was paid out largely by free-spending Johnny Meyer, Hughes publicity agent.

A. A. F. Officer Suspected

At the same time, it was said that the hearing will branch off to other firms, particularly one in which a high ranking Army Air Force officer is suspected of having been an undercover stock holder.

Chairman Ferguson (R) of Michigan and staff investigators have held a series of secret meetings with wartime procurement officers and contractors' representatives.

Ferguson steadfastly has declined to comment on what direction the inquiries are taking.

One Capitol Hill source said that when the hearings are resumed Hughes will be the first subject, but that the inquiry into

his affairs will exclude such angles as the "Brewster-Hughes" feud, and the "Elliott Roosevelt matter."

Hughes, Meyer Face Recall

Also trimmed out in the streamlining process, it was said, will be the controversial issue of whether the Administration used good judgment in the forty million dollar outlay on the Hercules flying cargo boat and the Hughes reconnaissance plane.

It was indicated that either Hughes or Meyer—or both—again will be recalled to the witness stand as the subcommittee pushes its inquiry into the \$100,000 "entertainment" outlay.

One Capitol Hill source said privately that the subcommittee is investigating as an offshoot of the Hughes case and not directly connected to it, what he termed "fantastic mishandling" of money by a war contracting firm selling aeronautical goods.

He said "lavish gifts" led into an investigation of the concern's accounting methods, which he termed "fantastic." The gifts, he said, were charged as "sales expense."

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TO OPEN HUGHES QUIZ AS HE TESTS BIG PLANE

WASHINGTON, Oct. 28 (UP)—Senator Homer Ferguson, Republican of Michigan, said today that public hearings of the Senate War Investigating Committee dealing with the \$40,000,000 in Government airplane contracts with Howard Hughes would be resumed Monday.

Mr. Ferguson is chairman of the subcommittee which abruptly recessed hearings Aug. 11 as testimony bogged down.

The hearings previously were scheduled to be resumed Nov. 17. But Senator Ferguson said it was necessary to advance the reopening "due to the calling of a special session of the Congress (for Nov. 17) and because of the contemplated press of work in the standing committees of the Senate."

The new hearing date falls just before Mr. Hughes plans to begin launching and taxi tests of his huge \$25,000,000 wooden flying boat, which has been lashed to a dock in Los Angeles for months.

Mr. Hughes said in Los Angeles Saturday that the tests would be held between Nov. 8 and 10. He said he had sent notice of the plans to Mr. Ferguson and other members of the Senate subcommittee.

Testimony concerning construction of the huge flying boat, begun during the war and not yet completed for flights, figured largely in the previous hearings.

When a reporter asked Mr. Ferguson whether the tests and hearing dates would conflict, he replied: "Our date was set for the convenience of the Congress."

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Hughes Investigation To Reopen Tomorrow Without Fanfare

By the Associated Press

With none of the fanfare which marked its previous sessions, a Senate War Investigating Subcommittee reopened its inquiry tomorrow into Howard Hughes' wartime plane contracts.

Beyond the bare announcement that hearings will be resumed, committee officials here from Chairman Ferguson on down refused to discuss the inquiry.

Mr. Hughes himself will not be called tomorrow, but will appear later.

The millionaire plane designer and movie producer was on the stand when the inquiry was abruptly broken off 12 weeks ago yesterday.

Since then he has picked up a concrete new argument to back his defense of the \$40,000,000 worth of plane contracts he was awarded during the war.

Proved Plane Will Fly.

That is the proof that his 300-ton plywood flying boat, the world's largest, will at least leave the water. Mr. Hughes lifted it into the air Sunday on the third of three announced taxi runs.

The flying boat contract is one of two with which the committee concerned itself in the earlier two-week hearings among the stormiest ever held on Capitol Hill.

The Government investment in the big cargo plane is \$1,000,000, and Mr. Hughes contends he put up to \$1,000,000 more of his own funds into it. At Sarasota, Fla., Senator Pepper, Democrat of Florida, a member of the Ferguson subcommittee, told reporters the plane's flight "should practically terminate the investigation."

Other Contract for Photo Plane.

The other contract is for a photo reconnaissance plane, the P-11, on which the Government spent \$22,000,000. It originally ordered 100 of the planes, later cut the contract back to three. Mr. Hughes was gravely injured when the first model crashed on a test flight last year.

Senator Ferguson has said he wants to question Mr. Hughes and the plane builders publicly man John W. Meyer, anew about the expenses which Mr. Meyer testified earlier he incurred in entertaining high Army and Government officials prior to award of the contracts.

It was Mr. Meyer's absence which led Senator Ferguson to call off the hearings last August 11.

Subpoena Expired

The witness had been under subpoena but it was allowed to expire and Mr. Meyer disappeared.

The first hearing was marked by a spectacular exchange between Mr. Hughes and Senator Brewster Republican of Maine, chairman of the full investigating Committee.

Mr. Hughes declared and Senator Brewster denied under oath that the Senator had proposed to call off the investigation. Mr. Hughes would agree to a merger of Trans-World Airlines, which he controls, and Pan American Airways.

After hearing these charges and Senator Brewster's denial, the subcommittee closed that phase of the inquiry without reaching any conclusion.

Mr. Tolson ☒
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Hughes Hearings Reopen

(See Mr. Othman on Page 29.)
By United Press

Senate Investigators today ask Charles E. Wilson, wartime head of the Government's aircraft production program, what Washington bigwigs saved Howard Hughes' giant flying boat from the junk pile.

Mr. Wilson was to be the first witness as a Senate War Investigating sub-committee resumed its inquiry into Mr. Hughes' \$40,000,000 worth of war contracts.

The General Electric Co. president was WPB vice chairman and boss of the aircraft board. The board urged cancellation of a Government contract for Mr. Hughes' \$18,000,000 Hercules flying boat contending that it had "no military value and little, if any, economic value as a commercial carrier."

Sub-Committee Chairman Henry F. Ferguson (R., Mich.) said he wants to find out who "second guessed" Mr. Wilson's board and gave Mr. Hughes the go-ahead.

The 200-ton plywood colossus, largest aircraft ever built, flew for the first time last Sunday—some five years after the original Government contract was awarded to Mr. Hughes and Industrialist Henry J. Kaiser. An RFC spokesman said last night the eight-engine plane may have to be sold as "surplus property" because the Army, Navy and Air Force apparently do not want it—even tho it flies.

At the earlier hearing this summer, Mr. Kaiser testified the flying boat contract was approved after he and WPB Chief Donald B. Nelson conferred at the White House with Admiral William D. Leahy. The admiral was chief of staff to the late President Roosevelt and holds a similar post now with President Truman. Mr. Kaiser withdrew from the deal when the Government later cut back its order to a single experimental plane.

Despite his promise to "de-glamorize" the second phase of the investigation, Sen. Ferguson pointed at the last moment and permitted newsreel cameramen and radio broadcasters to enter

the Senate caucus room where the hearings are held.

Mr. Hughes is slated to appear before the sub-committee, perhaps later this week, as in his free-talking, free-spending press agent—John W. Meyer.

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Airplanes or Blondes? — By Fred Othman



THE Senate's Howard Hughes hearings reopen today with fewer hot lights and the mooings of many microphones. Dignity is the word for this stanza into the wartime doings of Hollywood's leading aviator and no time will be devoted to sex. Or at least not much. Even now Col. James G. Hall, late of the U. S. Army Air Forces, is banging the door of Sen. Homer Ferguson (R., Mich.), the chairman, in hope of telling his version of the parties with the night club

ladies.

The Colonel was sitting in the Senate Caucus Room one hot day last August when Mr. Hughes' roly poly press agent, Johnny Meyer, told about his celebrated expense accounts. One of 'em included \$3000 for food, drinks, tips, and presents for the ladies who entertained Col. Hall.

But the Colonel never got a chance to put his side of the story in the record, because Sen. Ferguson slammed shut the hearings in his face. Col. Hall was entertained by Mr. Hughes, all right, while the latter was building his aerial behemoth, Hercules, and a few photo reconnaissance planes. But nobody spent any \$3000 on him, he added.

BEFORE the second session of the inquiry is over he and Johnny (who currently is being sued by a New York cigaret girl on paternity charges) prob-

ably will get to thresh this one out in public. Johnny'll be here to testify and so will his boss.

Sen. Ferguson intends to hold the subject to airplanes as much as he can, in preference to blondes. He wants to know how come the Government—over objections of many of its officers—spent \$18,000,000 on this one plywood flying machine and signed another contract with Mr. Hughes which will cost it about \$22,000,000 for two aerial photo planes.

Blondes are more interesting, perhaps, but the Hughes airplanes also have their angles. Take the Hercules, which has room for 700 passengers, but probably never will take up a paying customer. It is the biggest airplane the world ever has seen. But it couldn't be put to work hauling people for pay under present rules, because first it would have to be smashed into kindling wood.

WHEN the Government put up its millions, it expected to get two outsized airplanes. What with inflation and one thing and another, Mr. Hughes ran out of Federal funds. He put in \$7,000,000 of his own cash, but he finished only one plane.

He can test it all he wants under an experimental license. So can the Government. Otherwise, under the present rules, it must be chopped in small pieces so the experts can see how they withstood the strain. This is standard procedure on any new plane.

The manufacturer is supposed to build at least two, one for smashing purposes and the other for flying. Why the Government only got a single incipient pile of firewood for its money is one of the questions in which Sen. Ferguson seeks an answer.

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The Official Word

By Fred Othman



RALPH R. GRAICHEN is a pre-Rosevelt little man with a pink dome, a white mustache, and the distinction of putting a cuss word into the official Federal archives. He said he couldn't help himself. He was so surprised when Howard Hughes snagged a \$22,000,000 contract to build photo planes over the protests of himself and other Air Force engineers at Wright Field that he scrawled a note in pencil upon the document confirming the deal.

"What does it say?" asked Sen. Homer Ferguson (R., Mich.), chairman of the sub-committee resuming the inquiry into Mr. Hughes' fiscal relationships with his Uncle Sam.

"It says," said Mr. Graichen, "I'll be damned!"

MR. GRAICHEN is a veteran aeronautical engineer. He works for the Air Force on plans for new airplanes and apparently he cares not whose shoe-shine he ruins. He spent most of the day stepping on assorted prominent toes. Like Brig. Gen. Elliott Roosevelt's.

Gen. Roosevelt, you may remember, urged upon the Government the purchase of 101 of the new model photo planes designed by Mr. Hughes. Mr. Graichen said he didn't believe Gen. R. was fitted by background, experience or education to be recommending the buying of military planes.

Mr. Graichen said that young Roosevelt was the only man in the Air Force to use pressure in favor of any particular plane manufacturer.

"Oh, now," protested Sen. Carl A. Hatch (D., N. H.). "The use of 'pressure' is not a very good word and I think Sen. Ferguson put it in your mouth."

No such thing, snapped Mr. Graichen. Nobody else had done what Roosevelt did and he considered that pressure.

Sen. Hatch subsided. Sen. Ferguson smiled as brightly as his scrambled-egg cravat, and Mr. Graichen solemnly continued his recital of the things he didn't like about the Hughes deal. Take wooden airplanes, such as Mr. Hughes proposed.

HE listed a number of such splintery planes by number, name and manufacturer. Some lost their wings in midair. Some caught fire and burned all the way to the ground. Others disintegrated and Mr. Graichen wouldn't give a wooden nickel for a lumber flying machine.

Fact was, he said, that the Air Corps brought down from Canada 13 wooden Mosquito bombers for tests. The engineers didn't like 'em.

"And when time came to send them back to Canada," he continued, "our ferry pilots wouldn't take 'em up. Too dangerous. Civilian pilots had to fly 'em."

One good thing, he indicated, was the fact that the Hughes photo plane was changed from wood to aluminum. Mr. Hughes cracked one up a while back and nearly killed himself, but the one remaining, Mr. Graichen said, is a first-class flying machine. Only it wasn't delivered until long after the war was over. And that's what Mr. Graichen was scribbling cuss words about in the first place.

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Weekly News
 dated 4/4/47 Page 37

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Probers Seek \$5,919,000 in Audit Report

'Talking Back' Blamed By Flier's Lawyer

By FRANK HOLEMAN

An internal revenue examiner has recommended that the Treasury slap a \$5,919,000 penalty on plane maker Howard Hughes, for handling his financial affairs in a way which may have lightened his personal income-tax payments in 1945 and 1946, it was revealed yesterday.

The announcement by Sen. Williams (R) of Delaware created a violent but short-lived sensation as the Senate war investigating committee reopened its probe of Hughes' \$40,000,000 war contracts.

No Fraud Charged

The recommendation is not final, however, and neither Hughes nor the company he operates through the Hughes Tool Co., of Houston, is accused of any fraud, crime or concealment, Williams, a member of the committee, pointed out carefully. Chairman Ferguson of Michigan agreed emphatically.

"That's just what Hughes gets for talking back to the U. S. Senate last August," Thomas Black, one of the debonair movie maker's lawyers told the press. "We'll send their lawyers around to get you."

There was one other surprising development in the first day of the new hearing. Johnny Meyer, Hughes' fat press agent with the fabulous expense account mind, showed up in town, meek as a lamb, waiting to be called to the witness stand when the committee pleases.

Auditors Check Books

The tax charges against Hughes grew out of the examination of the movie maker's personal and company books, by committee auditors. The committee subpoenaed the documents in a stormy session last August.

Hughes at that time started the pot boiling when he swore on the stand that he didn't make a dime out of war contracts, although he may have picked up some change on non-war activities, making oil well machinery and beer.

"I got interested because he was so emphatic on that point," Williams explained.

The senator dropped his bombshell after Ralph R. Graichen, air force engineer, speaking for the top air command, formally denied that Army brass was pre-

judiced against Hughes. Again, he reiterated the charge that former Brig. Gen. Elliott Roosevelt personally put undue "pressure" on to get Hughes P-11 photographic plane into production.

He said that before he ordered cancellation he discussed the matter with Nelson.

Ferguson asked what happened next. Wilson answered: "We told Hughes the contract was cancelled and a report was made to the air production committee so that the services would know the job was out of the way and they could place other work with the Hughes outfit."

Books Studied 2 Months

Williams then put committee auditor Carmine Bellino, an ex-FBI agent, on the stand to explain the results of a two-month search through Hughes' own money book. Bellino said he found Hughes Tool Co. made an over-all profit of \$15,526,000 from 1942 to 1946, inclusive. But Hughes, who owns the company outright, didn't declare any dividends on his stock in 1945 and 1946.

Instead, Bellino said, he used the profits to make a \$10,000,000 loan to Trans-World Airline and take control of that outfit.

Williams, Bellino and internal revenue bureau officials then went into a huddle. They decided that if Hughes had paid himself dividends in 1945 and 1946, his personal income would have been larger, and he would have had to pay more personal income taxes than he did.

Tax Law Explained

Under section 102 of the revenue law, Williams said, the Hughes Tool Co. could refuse to pay dividends, if it used the money for expansion. But if it held back dividends, just to keep stockholders from getting pushed into upper tax brackets, the company has to pay a fixed penalty.

Williams held that Hughes' purchase of T.W.A. was not a reasonable expansion of the Hughes Tool Co. Thus he and the tax experts figured that the company was liable under section 102 for taxes of \$1,633,000 in 1945 and \$1,867,000 in 1946, plus penalties.

Incidentally, the committee found that Hughes, whose per-

sonal fortune has been estimated between \$100,000,000 and \$125,000,000, paid \$79,317 personal income taxes in 1942, \$341,630 in 1943, \$308,250 in 1944, and only \$6,806 in 1945 when he stopped declaring dividends.

Equal fortune has been estimated between \$100,000,000 and \$125,000,000, paid \$79,317 personal income taxes in 1942, \$341,630 in 1943, \$308,250 in 1944, and only \$6,806 in 1945 when he stopped declaring dividends.

Gave to Last a Week

Senator Ferguson said he hoped to wind up the whole investigation of Hughes "in a week," hinting that he will then move on to a sweeping probe of all air force procurement practices during the war.

In yesterday's testimony, witnesses generally rehearsed the main facts brought out in the hearings, which halted suddenly after Meyer's disappearance last August.

They told again how the Army,

Navy, and war production board all opposed the flying boat contract, and how outside forces allegedly exerted pressure to have it granted.

Charles E. Wilson, former WPA chief of aircraft production, now president of General Electric, testified that he ordered the flying boat contract canceled in 1944. He said he was amazed to find two months later that the work was still going on. It developed later that Jesse Jones, then head of the Reconstruction Finance Corporation, had "talked with" Donald Nelson, WPA chief, and "production continued," Wilson declared.

In the former hearings, Jones said he mentioned the proposed cancellation to the late President Roosevelt, who stopped it, trying to salvage at least one giant ship

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for research purposes.

Wilson said he steadfastly opposed letting any contracts for planes which could not be delivered before the war's end, which he said was expected in late 1944 or 1945.

Again, Hughes' lawyer, Tom Slack was allowed to submit questions in writing which Ferguson asked. Slack attempted to show that many other experimental planes, such as the B-36, by other manufacturers, were begun dur-

ing the war, not finished, but not canceled.

Wilson replied that most of the other new planes were mostly modifications of accepted types, which the Army thought could be completed in time for war use.

million Tax Demanded on Hughes Firm

Senator Declares
Tool Company Loan
Should Be Assessed

By Mary Spargo
Post Staff Writer

A demand that the Hughes Tool Co. owned by Howard Hughes, millionaire plane designer, be assessed \$3,919,921 additional taxes was made yesterday by Senator John Williams (R., Del.).

Williams presented his conclusions concerning the tax returns of the Hughes Tool Co. to the Senate War Investigating Committee, reported its inquiry into the wartime aviation contract for the Hughes flying boat and the FX-11 photo reconnaissance plane.

Members of the committee were agreed that the matter involved no charges of fraud, crime, violation of the law, or concealment on the part of Hughes or any of his companies.

The committee delved anew into charges that Hughes secured his two airplane contracts by virtue of "pressure." Two witnesses testified he did.

1. Charles E. Wilson, president of General Electric and wartime vice president of the War Production Board, said that he had ordered the WPB contract for the mammoth six-engined flying boat canceled but "it didn't stick." He named Jesse Jones, former Secretary of Commerce and RFC chairman, as a source of pressure. Jones, his memory refreshed by inter-office memoranda, admitted last August he had spoken to President Roosevelt about the cancellation of the flying boat contract. The President directed the contract be continued. Wilson said industrialist Henry J. Kaiser brought "outside pressure" to have the contract continued.

2. Ralph R. Graichen, an Air Force engineer, testified that Col. Oster Briz, Gen. Elliott Roosevelt had recommended Hughes photo-reconnaissance plane as the only one fit for the task over all objections of other technical advisers.

Graichen termed Roosevelt's recommendation "inside pressure." Senator Carl A. Hatch (D., N. Mex.) objected that as an officer in the Air Force, Roosevelt had a right to give his opinion. Graichen maintained it was "pressure" when the officer recommended one contractor and one plane against all others.

Williams' demand for additional taxes was based on the fact that the Hughes Tool Co. loaned \$1 million dollars to TWA. Hughes controlled airline from money which Williams said had been accumulated in reserves by the Hughes Tool Co. Attorney Mita Committee.

Williams contended that such a use of funds held as reserves called for further tax payments since the reserves did not go to building up the company.

Thomas A. Slack of Houston, Tex., attorney for Hughes, promptly charged to reporters that the committee was trying to take over the functions of the Bureau of Internal Revenue.

Slack testified that the issue of some of the Hughes Tool Co. returns had been and was still before Internal Revenue officials in Houston, Tex., and that no determination had been made.

Williams' contention that the TWA loan did not come under provisions of the Internal Revenue Act relating to reserve funds of corporations recalled the stormy earlier hearings when Hughes charged that Senator Owen Brewster (R., Me.), chairman of the full committee, had attempted to "blackmail" him into merging TWA with Pan-American.

Williams and Senator Homer Ferguson (R., Mich.) took issue with a sworn statement by Hughes that "neither my company or I made a profit as the result of the war."

His examination of the books of the Hughes Tool Co. showed that a profit had been made, Williams declared.

Slack and Noah Deltrich, Hughes Tool Co. executive, testified that Hughes' statement was exactly correct. They said that the over-all picture is that Hughes did not make profits on Government contracts during the war.

Deltrich told reporters later that in the five years preceding 1942 turns of the California plane the Hughes Tool Co. originally formed to manufacture oil well drilling machinery, had realized some 21 million dollars in profits.

In the next five years, including 1944, Deltrich said the Hughes Tool Co. made some 18 million dollars.

Williams said that he had made a careful examination of the company records and actual tax returns with the assistance of Carmine Bellino, certified public accountant, formerly employed by the FBI.

Bellino, sworn as a witness, attempted to give the technical and detailed reasons for the conclusions concerning Hughes' taxes.

Senator Carl A. Hatch (D., Mex.) interjected that it was all a very "amusing and highly technical matter" for tax experts to consider.

Slack said this is the place or forum to try the tax difficulties of Mr. Hughes. Ferguson commented.

"I agree with you," Williams interjected.

He indicated the question had been brought up because of Hughes' testimony about that neither he nor his companies had made a profit because of the war.

Deltrich Offers Wage

Immediately after the service, Deltrich offered to let Williams a year's salary "that when all the figures are taken into consideration it will be proved that neither Howard Hughes nor Hughes Tool Co. had made a profit, but our company

acts taken as whole. Deltrich said the bet was refused.

Bellino said a field agent of the Internal Revenue Bureau had recommended that the additional assessment of \$3,919,921 be levied. He introduced letters from the agent.

Under questioning from Hatch he acknowledged that the letter reflected a recommendation on the part of the field officer, but is still subject to determination by the bureau.

Ferguson opened with a prepared statement.

"The facts thus far developed in these hearings," he said, "suggest that both the large flying boat and the photo-reconnaissance plane projects did involve departures from normal wartime procurement channels."

The subcommittee chairman pointed out that "unwarranted departure" from normal procurement procedures could result "in the breakdown of the necessary flow of materials to the successful prosecution of the war."

Surplus Tax Cited

Williams said the Hughes Tool Co. had declared no dividends in 1945 and 1946 although it had substantial earnings.

He pointed out that under Section 102 of the Internal Revenue Code a surtax is placed on those corporations "improperly accumulating a surplus." Williams said the surplus accumulated by the Hughes company was obviously not necessary for operating capital since the company could loan TWA \$1 million dollars. The section provides for a 28 1/2 per cent tax on the undistributed net income in excess of \$100,000. The section is intended to prohibit excessive retention of earnings in a corporation to avoid payment of individual income taxes by stockholders.

Under the recommendations of the citizens advisory committee to the House Ways and Means Committee released Monday, section 102 would be drastically revised to cut down on the power of the Internal Revenue Bureau to determine how much surplus a corporation can accumulate.

Mr. ~~Deltrich~~
Mr. ~~Slack~~
Mr. ~~Graichen~~
Mr. ~~Ladd~~
Mr. ~~Nichols~~
Mr. ~~Tracy~~
Mr. ~~Egan~~
Mr. ~~Gurnea~~
Mr. ~~Harbo~~
Mr. ~~Mohr~~
Mr. ~~Pennington~~
Mr. ~~Quinn Tamm~~
Mr. ~~Nease~~
Miss Gandy

Wilson said he had ordered cancellation of the flying boat contract primarily because it would not be ready for war use. At the time, he said, talk in Washington revolved about the possible ending of the war in 1944 or 1945.

Under questioning by Hatch, Wilson said that the B-36 bomber was far from completion at the end of the war but that its contract was never canceled because it was hoped it would be ready.

Wilson also testified that the B-36 medium bomber was started in 1942 and isn't in production yet. He said that the contract was never canceled because it was always hoped it would be completed. Hatch reminded him that the Senate War Investigating Committee had advised against continuation of this project.

Program of the FX-12, a photo reconnaissance plane being built by another company, was virtually the same as the Hughes FX-11 contract, Wilson said.

The former WPB official told the committee he might be busy. "Lates since he didn't have a single scrap of paper" from WPB with which to refresh his memory.

Ferguson asked jocularly if that meant he didn't have fields from which to write a book.

"I have enough in my memory to write a book," Wilson quipped. "but I hope I have sense enough not to write it."

Wilson described the Hughes flying boat contract as the only airplane contract made outside the military services that he knew anything about.

"After you canceled the contract," Ferguson queried, "when did you learn it was really not canceled?"

"Well, it was at least a couple of months before we woke up to find out the job was proceeding," Wilson replied.

He told the committee he had opposed the Army's giving Hughes a contract for the FX-11.

"It was just silly to expect we were going to have them in the war purposes," he testified.

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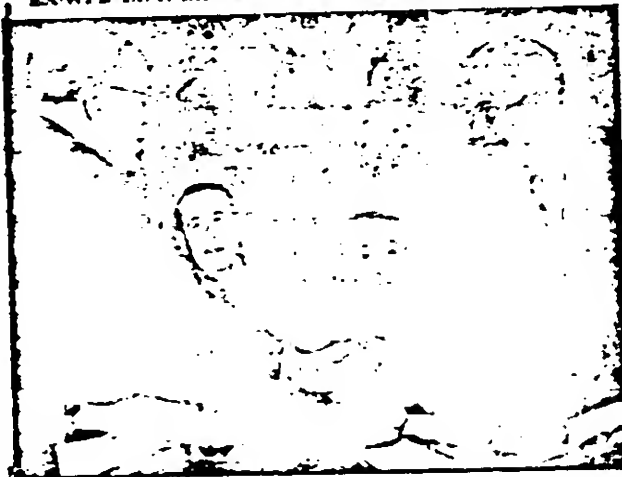
REPRODUCED ORIGINAL RETURN

Testifies Elliott Roosevelt Used 'Inside Pressure' To Win Contract for Hughes

WASHINGTON, Nov. (INS).—The Senate War Investigating Committee was told today that Elliott Roosevelt used "inside pressure" in the War Department to force award of a contract to Howard Hughes for his F-11 photoplane.

Ralph A. Graechen, civilian chief of the AAF General Staff Research Division, so asserted, and added:

EX-WPB LEADER SHOWS UP FOR 'PRESSURE' TALK



Charles E. Wilson (left), former Vice-Chairman of War Production Board, greets Chairman Mornor Ferguson, of Senate War Investigating Committee, as he takes stand at Hughes plane probe. (INTERNATIONAL BUREAU OF NEWS)

"I don't think Col. Roosevelt was qualified by background, education or experience to pass opinion on those things."

Graechen said young Roosevelt, later a brigadier general, argued in his presence that the Air Force needed Hughes' plane and "there was not another design" to match it.

Overruled Experts

Graechen testified he was "shocked" when AAF top brass overruled technical experts and ordered a \$1,900,000 payment to Hughes for work done on a prototype of the F-11.

His testimony was followed by the disclosure that the Internal Revenue Bureau will assess Hughes' firm an additional \$2,919,000 in taxes on undistributed profits.

Sen. Williams (R-Del.) said the bureau will act on the committee's recommendation in collecting the assessment. He added that examination showed the Hughes Tool Co., parent firm of the Hughes enterprises, had net profits of \$15,500,000 between 1942 and 1946 and "retained" \$14,500,000 in the parent corporation and subsidiaries.

Swore to Contrary

Williams noted that Hughes, in testimony before the committee last August, declared neither he nor his companies "made any profit on the war."

Charles E. Wilson, former vice-chairman of the WPB, testified Henry Kaiser subjected him to "continual pressure" to block cancellation of the contract for Hughes' giant flying boat.

Graechen's reference to Roosevelt came when Chairman Ferguson (R-Mich.) asked why "inside pressure" had been used to win Hughes' contract. The witness answered:

"Yes, sir, on the part of Elliott Roosevelt. I have to confess, however, that I was only one link in

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Roosevelt's presence when the design was discussed."

Defended His Course

Elliott was a witness before the committee last Summer when he was confronted with expense accounts detailing entertainment provided for him by free-spending Johnny Meyer, Hughes' publicity man. He challenged many of the items.

The son of the late President also defended, at that time, his

recommendation of the F-11 as the best available.

Graechen said that "in general" the trend of Roosevelt's argument was that "we needed this plane" and no other could serve the same purpose.

Ferguson asked:

"Was that a fact?"

Graechen replied:

"I'm afraid not. As it turned out, the plane was of no use to us during the war."

Graechen said most of the experts felt that "if we went to that (Hughes) design with a contractor who had not demonstrated his ability to produce, it would not be too wise."

Wilson testified his order to cancel the contract for the Hughes flying boat was countermanded after Donald Nelson, ex-WPB chairman, conferred with Jesse Jones, then head of the RFC.

Too Long to Build

Wilson said he decided to call off the contract not because of engineering defects, but because of the time element involved in completion of the plane. He added:

"We told Hughes the contract was cancelled and a report was made to the Air Production Committee so the services would know the job was out of the way and they could place other work with the Hughes outfit."

Two months later, he said, he found that work on the flying boat was proceeding.

Wilson emphasized the cancellation was ordered because he felt the plane "would not be ready to help win the war." He said another factor was a reluctance on the part of many aircraft experts to approve wood construction for a plane of that size.

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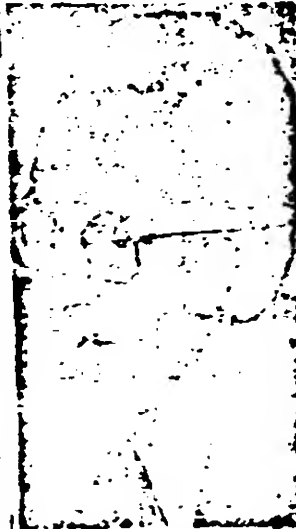
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charged Meyer, he also was fired, Perelle said.

Hughes charged him with "subordination," the industrialist declared. He said that one of the reasons was that he had complained to Hughes because the manufacturer-producer was utilizing aircraft personnel to work on his movies.

In his letter he told Hughes, Perelle testified, that "this interruption to organization will not be tolerated."

Tells Committee He Fired Meyer



Associated Press Wire
CHARLES W. PERELLE
"I had no control over him"

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No Politics 'Hughes' Contract, Says General

By ROSE McKEE

WASHINGTON, Nov. 6 (INS).—Brig. Gen. James F. Phillips testified today that the names of President Roosevelt and his son Elliott figured in Army discussion of a Howard Hughes plane contract, but he denied that politics influenced the decision.

Phillips, wartime Army Air Forces chief of material, was asked by the Senate War Investigating Committee if the "political background" of the Hughes contract was the reason it was not cancelled in accordance with a Bureau of the Budget recommendation.

The general replied, "I don't even know what you mean by political background."

Asked if men in public life were mentioned in connection with the cancellation, the witness replied:

"Oh, yes, in the history of the project there was a note signed 'FDR,' saying 'What's in this.'"

The note referred to the D-2 predecessor of the F-11, the Hughes contract under probe by the committee.

Denies 'Pressure'

Phillips said he "imagined" he "mentioned the FDR note" as well as Elliott Roosevelt's support of the F-11 contract.

He denied later that air officers were under such pressure that they were helpless to cancel the contract.

Other developments:

1—Thomas Slack, attorney for Hughes, charged the committee was "unfair" in airing the plane designer-builder-flyer's tax matters outside the Internal Revenue Bureau. He said Chairman Ferguson (R-Mich.), declined to let him take the stand to refute yesterday's testimony that Hughes may owe some \$5 million in back taxes.

2—Charles W. Perelle, ousted general manager of the Hughes Aviation Co., charged Hughes

took men from plane production to work on his film enterprise. He said this interfered with completion of two war contracts totaling \$40,000,000.

3—Perelle said that when he went to work for Hughes in the Fall of 1944, the design for the F-11 was only 40 percent completed instead of 90 percent as generally believed.

4—Charles M. Bailey of the General Accounting Office, testified there was an overpayment to Hughes of \$326,000 in the termination of the F-11 contract on May 29, 1945.

Promises Refund

Noah Dietrich, first vice-president of the Hughes Tool Co., immediately sent a note to Ferguson advising him that Hughes will refund the overpayment, if any.

Ferguson disclosed that the Bureau of the Budget twice recommended cancellation of the F-11 photoplane contract and

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EX-AM TAKES SLAP AT PLANEMAKER



Charles W. Perelle, former general manager for Howard Hughes, testifying before Senate War Investigating Committee yesterday.

(AP Wirephoto)

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Hughes Contract Influence Denied

Continued from Page 2

said the work on the flying boat should either be halted or Hughes should pay all building costs himself.

The Budget Bureau first made its recommendation Aug. 10, 1944, which Ferguson said was only three weeks after the F-11 contract was let.

Ferguson sharply questioned Phillips on why the cancellation was not made.

He produced a memo by Phillips in which the General said that "Howard Hughes should be left to hang himself and the Army Air Forces should not get itself into a position of being criticized in this connection."

Ferguson contended the memo must mean the Army Air Forces were against the Hughes contract, but that Gen. H. H. Arnold, former Air Force chief, had approved it and "so the Air Force was just going to let the contract stand."

Hughes Offers To Refund Any Overpayment

**Auditor Tells Probe
\$326,000 Is Due**

By FRANK HOLEMAN

A government auditor told the Senate war investigating committee yesterday the Army overpaid Howard Hughes \$326,333 in settlement of his contract for 98 photographic planes. Immediately, Noah Dietrich, Hughes' business adviser, leaped to his feet and offered to repay any sum "properly established" as an overpayment.

The dramatic exchange came in the closing minutes of the day's second session of the new Hughes investigation. Earlier, witnesses testified Hughes' aircraft plant at Culver City, Calif., was so happy-go-lucky it was known in the industry as a country club, and President Roosevelt's budget of 1940 once recommended that some of his contracts be cancelled because of inefficiency.

Ex-General to Testify

Today, the committee will grill former Maj. Gen. Bennett E. Meyers, former deputy chief of air force procurement, who testified in secret regarding alleged favoritism to Hughes. The dapper flier, who left the coast in his converted bomber late yesterday, may testify late today or tomorrow. Johnny Meyer, his press agent, is also waiting to be called.

Dietrich's offer to pay back every penny of any overpayment electrified the hearing room. Only a minute earlier, Charles M. Bailey, senior chief accountant for the General Accounting Office in Los Angeles, had testified the Army could not recover a cent under the resettlement law, unless fraud was proved. The contract, which called for 98 flying models of the P-11 reconnaissance type, was cancelled May 29, 1943.

In addition, Bailey admitted that the day's spectacular statement was the first word the Hughes Tool Co. had received of the alleged overpayment. He said no determination of fraud had been made.

Overpayment

"In my opinion there was an overpayment the Hughes Tool Co. of approximately \$326,000," Bailey added, shaking his words slowly. Later he said the exact amount was \$326,333.66, according to his own audit of Hughes books.

While Bailey was on the stand, flanked by three assistants, Dietrich, vice president of the tool company, hastily scribbled a note to Ferguson, who read it aloud.

"I have the authority to commit the Hughes Tool Co. to refund any properly established overpayment," it read.

Sen. Hatch (D) of New Mexico, pointed out that many contract settlements were subject to honest differences of opinion. He asked whether Dietrich was "willing" as

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Hughes' Adviser Offers to Refund Overpayments

(Continued from First Page)

well as able to pay back the money, if required.

"I'm willing to, and I now do so hereby!" Dietrich exclaimed, rising.

Set Speed Records

The total involved in the P-11 contract was about \$70,000,000. It called for 98 production models and three experimental ships. Hughes announced on the West Coast this week that the last of the three test models had been delivered to the Army, and set a new secret speed record for twin-engine propeller driven planes.

In a written question, Thomas Black, Hughes' lawyer, asked Bailey if he dug up the old settlement data on orders from the committee. The auditor replied his survey was already under way when the committee's request for a report came.

Ordinarily, he declared, the accounting office reviews all contract terminations under the settlement law. It reports to the comptroller general, who passes the findings to the agencies involved.

Phillips Reveals Report

An earlier witness, Brig. Gen. J. F. Phillips, a member of Gen. Arnold's wartime air staff, revealed the budget office's reports on Hughes, made in 1944 and 1945. They recommended moving the air force's business to a cheaper, more efficient plant, or using other planes already built for reconnaissance.

The recommendations were not carried out because of a favorable report by Meyers, who testifies today, he disclosed.

Phillips, named earlier as the man who told other air officers about the "political background" of the Hughes reconnaissance plane, agilely sidestepped questions on this point.

He said he didn't know any political background, although he knew Elliott Roosevelt was interested in pushing the plane, and the late President Roosevelt had sent Arnold a White House memo on the subject asking, "Is there anything in this?"

Yesterday's wrangling over money packed a double punch, because only last night Sen. William (B.) of Delaware, a member of the committee, revealed the Treasury is trying to collect \$2,918,800 from the plane maker in alleged delinquencies. A dispute over \$2,418,800 for the years 1940 and 1941 is already in the courts, he revealed, and a Treasury agent, prompted by the committee, has



CHARLES W. PERELLE

recommended another \$301,800 penalty for the years 1945 and 1946.

Drops Tax Issue

Ferguson dropped the tax issue quickly yesterday, tossing it over to the Treasury and the courts. He said Hughes personally will be allowed to explain, if he wishes, but the committee didn't want to let lawyers bog the investigation down in a tax argument.

The committee earlier examined Charles W. Perelle, one-time general manager of the movie maker's aircraft division.

Perelle said he worked for Hughes from Sept. 1944 until Dec. 1945, and was paid \$350,000 in salary and stock options. Hughes fired him from Consolidated-Vultee, makers of the B-24, to take full control of Hughes' aircraft building, turn his plant from an experimental laboratory into a mass production line for 161 reconnaissance planes, and spur completion of the giant Hughes flying boat.

"Hughes himself one time said he knew the place had the reputation for being a country club," Perelle related, "and he wanted to change that." Officials of the parent Hughes Tool company viewed the aircraft division as a "personal plaything" for the flier, he added.

Priorities Were Low

Immediately, however, the new manager said he ran into a hornet's nest of trouble. He found employees still looked to gangling, careering Hughes for orders, Army engineers at Wright field had been antagonized, priorities were low. And then there was Johnny Meyer.

Perelle said he never did find out exactly what Meyer was supposed to be doing for the aircraft division in Culver City, Calif., where he was king on the pay roll. He had an office and secretary, but spent most of his time in Hollywood. Large "hump sums" ap-

peared on his expense accounts. But Perelle was told to ask no questions since they had been okayed by Hughes.

But among other things, the chubby press agent, who made \$200 a week, once let it be known around Hollywood he was just about to fire Perelle, the \$75,000-a-year man. Perelle said he demanded an apology and got

it. Then he had Meyer taken off the aircraft pay roll.

Johnny landed somewhere else, however, and kept up his arduous duties of snagging night club checks when people like Elliott Roosevelt were around.

Things improved, but not much. Perelle testified. After leaving town for a few months to give his manager a free hand, Hughes finally returned, and one day barged in to the aircraft division and borrowed an engineer to help out with a movie. Perelle protested, and Hughes fired him for insubordination.

In parting, they had a little dispute over a \$900-a-month shanty in Los Angeles the company furnished Perelle. Hughes claimed he had promised to pay the rent only. Perelle contended the company promised to bear all the expenses, including food and servants. These extras totaled a tidy \$29,729 in 18 months.

Ferguson brought out that Hughes listed the \$29,000 as a bad debt from Perelle. The engineer said he was astonished to learn that Dietrich promptly was called to the stand. He explained that the sum was deductible from taxes either as a bad debt or operating expenses.

These Charming People

By AUSTINE
CASSINI

AFTERMATH of the Howard Hughes "interest" will be a change in the income tax laws!

When you overpay income tax, the government refunds your money with 6 per cent interest. When Howard Hughes got his refund of \$155,000 on his tax, he also got 6 per cent interest on it—which was more interest than he could get at any bank!

Several Senators are planning to get together with Internal Revenue heads to draft a law, making the default payment interest the same as the banks' rate of interest.

ALICE ROOSEVELT LONGWORTH had a fall! . . . Not from her throne as a Queen of the Capital. But Alice fell in the BUTCHER SHOP!

(Her fall was probably caused when the butcher told her the price of veal!) . . .

APHOGEY on this fury about the Windsors not being invited to The Wedding, which took place at six a.m. today . . . after all, Prince Philip's own three sisters were left out! These three princesses, married to Germans, and living with their hearts in Germany are:

Princess of Hohenlohe Langenburg, Princess of Battenberg and Princess of Baden.

Not inviting them was an obvious political move. If these three princesses attended, it would only have enormously emphasized the amount of German blood in both Philip and Elizabeth . . . Elizabeth's grandmother was a German princess, Mary of Teck. When you analyze it, though, the reality of the world has been German.

The English people themselves are divided by class, and as a result, the race.

At the wedding breakfast, during the ceremony, British and German dignitaries of the world were especially interested to learn that the title of Duke of Edinburgh was bestowed on Philip.



Austine Cassini

THE title "Duke of Edinburgh" has heretofore been borne by the eldest son of the Prince of Wales, or by the heir presumptive to the throne. There is no Prince of Wales, and Elizabeth is the Queen. Presumptive to the throne, it would have been appropriate

that the title "Duke of Edinburgh" be given to the son of the Queen.

Elizabeth's Great-Uncle, the Duke of Edinburgh, was the son of the Queen Victoria and Prince Albert. He was a member of the House of Hanover. But he was a member of the House of Hanover, and he was a member of the House of Hanover.

But Philip was not a member of the House of Hanover. He was a member of the House of Saxe-Coburg and Gotha. He was a member of the House of Saxe-Coburg and Gotha, and he was a member of the House of Saxe-Coburg and Gotha.

The title "Duke of Edinburgh" was given to Philip because he was a member of the House of Saxe-Coburg and Gotha. He was a member of the House of Saxe-Coburg and Gotha, and he was a member of the House of Saxe-Coburg and Gotha.

BUT the Duke of Edinburgh was not a member of the House of Saxe-Coburg and Gotha. He was a member of the House of Saxe-Coburg and Gotha, and he was a member of the House of Saxe-Coburg and Gotha.

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Meyer Missing As Trial Nears In Paternity Suit

NEW YORK, Nov. 28 (N. Y. News) — Johnny (Missing) Meyer, Howard Hughes' butler-ball press agent and lab-rifing genius, who is accused of being the father of an ex-night club cigarette girl's baby boy, is back on his old vanishing routine. It was revealed today in court.

Said to be "somewhere in California," Meyer, who gets around after the fashion of a Mexican jumping bean, has stoutly persisted in dodging a blood test here since Oct. 10. Which was all the more surprising because the specialist in genetic sensors and ordinary officials the run-around asked for the legal needle himself.

Johnny is due to appear in court next Thursday for trial on the paternity charges made by Patricia Miles, 25, of Manhattan's Jumel Heights. But Jerome Strauss, his lawyer, told Justice Frederick L. Hackenbury that he "had no idea" where Johnny is. Assistant corporation counsel Schaikun offered the California clue to Johnny's latest hide-out.

Strauss today filed a motion seeking a bill of particulars from Patricia on the romance she claims to have carried on with Meyer. She charges she kept several trysts with Johnny in his suite at the Hotel Sherry-Netherland in 1945 and 1946.

Her baby was born last Feb. 7, and Patricia charges that an emissary of Meyer gave her \$1,500 and induced her to sign a statement that Johnny wasn't the father.

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Mr. Nease _____
Miss Gandy _____

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Blood Test Given Johnny Meyer in Paternity Case

New York, Dec. 2 AP.—Johnny Meyer today submitted to a blood test as a preliminary to facing trial in the suit brought by a former night club cigarette girl who seeks to prove he is the father of her child.

The red-hot press agent had been facing the suit since it was brought while he perspired under the limelight of last summer's Washington investigation of his boss, Howard Hughes.

His trial on the paternity charge of blonde Patricia Miles that he is the father of her son born last February, is scheduled to start Thursday.

Meyer, who disappeared after being served with a summons in a night club several weeks ago, disappeared after the blood test before he could be questioned by newsmen.

A short time after he left the office of Dr. Alexa Der S. Wiener in Brooklyn, Miss Miles and the baby appeared at the office for a blood test.

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Johnny Meyer

Felix

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WASHINGTON POST
 Page 17-3-47

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Court Hears Woman Suing Johnny Meyer

New York, Dec. 4 U.P.—Blonde Patricia Miles, 23, glamorous in a long red suit and a beplumed hat, testified behind closed doors today in her first action seeking to prove her live-spendng Press Agent Johnny Meyer, 41, is the father of her 10-month-old son.

The public and press were barred from the Special Sessions courtroom when two of the three justices hearing the paternity suit agreed that the secret proceedings were desirable for the protection of the child.

Corridors were jammed by spectators who stayed to see Miss Miles, former night club cigarette girl, and Meyer, monochant and quipping, come and go.

Meyer is Undisturbed

Meyer, who recently testified under the spotlight of a Senate investigation of his boss, Howard Hughes, was in good spirits.

He told reporters before the proceedings resumed at 3:45 p. m. that he was undisturbed about results of a test which showed his blood type was the same as that of Miss Miles' son.

"You can take it from me I'm not the father of this baby," he said. "Yeah, I know my blood group is the same as the kid's but that doesn't prove I'm the father."

Tests showed that although Meyer and the baby, whose baptismal certificate bears Meyer's name, had the same blood type, the mother's blood was of a different type.

The decision to bar spectators from the trial, in which Miss Miles charges that Meyer fathered her child during a period when they kept track in a Manhattan hotel, resulted from motions of their attorneys.

Public Excluded

Elvin Untermyer, attorney for Miss Miles, asked that the public be excluded. His motion was granted and Meyer's counsel, Jerome Strauss, moved that witnesses be barred except when they were testifying. This motion was granted.

"Are you moving that the press be excluded?" asked presiding justice Nathan Perlman. Both lawyers said they were not.

"By motion of the court we have decided to exclude the press," Perlman announced.

Father James Kane, priest of the parish where Miss Miles obtained her baby's certificate of baptism, followed her on the witness stand.

The day manager of the hotel at which the baby was born kept track of Meyer and the child without incident.

Attorneys have been asked to complete their cases by tomorrow afternoon.

Meyer Paternity
via Sports



JOHN W. MEYER

Associated Press Wirephoto
PATRICIA MILES

The public and press were excluded from the courtroom yesterday as John W. Meyer, press agent for Howard Hughes, went on trial. Patricia Miles, former night club cigarette girl, charges he fathered her 10-month-old son, Douglas.

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Mr. Tolson _____
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 Miss Gandy _____

John W. Meyer

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Johnny Meyer Is Victorious In Paternity Suit

Star Chamber Court
 Frees Press Agent

NEW YORK, Dec. 5 (NY News). A three-man court ruled unanimously today that Johnny Meyer, Howard Hughes' press agent, wasn't the father of blonde Patricia Miles' baby boy, a decision that brought a big grin to Johnny's face and big tears to Patricia's.

The decision came after a day of testimony that included a witness stand admission by Johnny that he had been intimate with the young woman. Meyer emerged from the courtroom triumphant yet tearful. He was tired about all those newspaper stories describing him as "pudgy" and "short." He is, he modestly admitted, a perfect specimen.

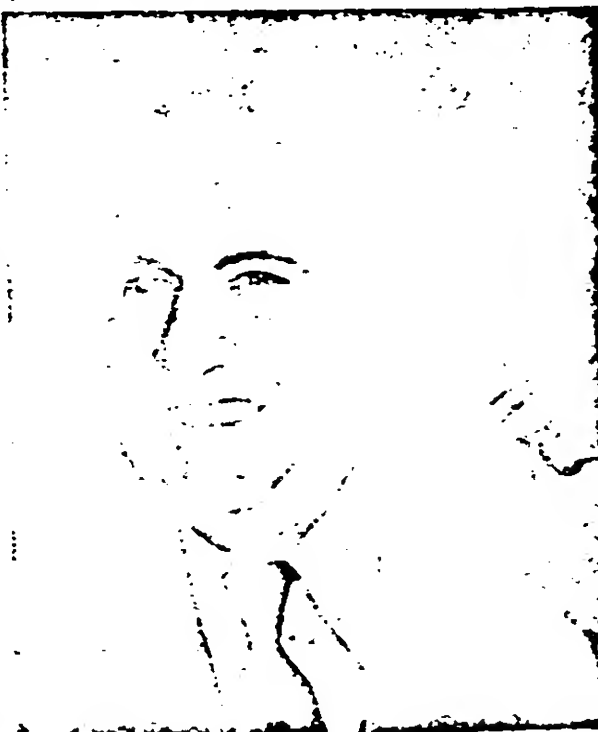
Johnny Is Gallant

Of Patricia's tears, he said gallantly:

"She can cry any place she wants to cry. What about the dough it cost me to come back here and defend this suit?"

Of his triumph, he said modestly: "There's nothing to print for my book. I'm very pleased with the fairness of the judge's decision. I never felt I was the father of the child. The charges were fantastic."

Today, like the day before, headlines on the paternity case against the Hughes' press agent were strictly star chamber. In testimony there was had to



JOHNNY MEYER GETS THE NEWS

Intimacies With Girl,
 Admitted by Johnny

after that inasmuch as he went to Cuba and Mexico, although he continued to maintain his suite at the Sherry-Netherlands hotel here. It was in this suite that the girl has testified she had trysts with him from February to March, 1946.

Talks of Payment

Another witness, Robert Harris, another press agent, friend of Johnny and a cafe sociable, testified Patricia told him she had signed two papers, one saying Meyer was the daddy and another saying he wasn't, and if Meyer wanted the paper that said he wasn't, he would have to fork over \$10,000.

Gossip started piling up. Harris went on, and finally Meyer said he paid her something. Harris said he gave her \$2,200, partly his, partly Meyer's, and she signed a paper saying Meyer was not the father of the child, now 10 months old.

Another witness, Mrs. Ever Odell, testified Patricia told her she was pregnant and that the man was Meyer. Cross-examined by Jerome Strauss, Meyer's lawyer, she admitted Patricia told her she had gotten money from another man with whom Patricia had and she had been intimate. A \$75 check from this other chap was introduced as evidence.

he retold to newspapermen by the night club catamite girl on to Johnny testified that although March 4, 1946, he did not see her, was introduced as evidence.

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 Times Herald
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John W. Meyer
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Hollywood:

Hughes May Let
More Millions

Go on Picture

By Sheila Graham

Howard Hughes, so I am told, is going to remake "Venetian" almost from scratch! Howard has already spent \$3,000,000 two tests and four directors on this movie. But he is not the boy to give up if he thinks he can improve a project. He re-made "Hell's Angels" completely and it made him I don't know how many millions.

Robert Taylor, back in Hollywood from Texas, thinks he has found the ranch he and Barbara Stanwyck have been looking for—to retire to when they no longer make movies.

Van Johnson's father has again canceled his trip to Hollywood. He was due to arrive here shortly after Van and Eric have the baby. The senior Johnson is scared of the Hollywood razzle-dazzle.

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W. Hughes

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Hughes' Club Is Recalled

By Drew Pearson

Editor's note: Drew Pearson's column today takes the form of a memo to Senator Ferguson of Michigan, chief Senator investigator.

Memo to Senator Ferguson of Michigan:

You will recall that last summer serious charges were made against your Republican colleague, Senator Owen Brewster of Maine, by the West Coast airplane builder, Howard Hughes. Senator Brewster was accused of being a lobbyist for Pan American Airways and of using his high office for the commercial advantage of one airplane company.



Although these charges were publicly made and although Senator Brewster—at that time—said he welcomed an investigation, nothing has happened since. I understand that Senator Brewster since has informed the Justice Department that he did not wish to be investigated. However, in view of your own record for conducting impartial probes, and in view of the fact that you are courageously going after your Democratic colleague, Senator Thomas of Oklahoma, I feel sure that you will also wish to explore thoroughly the serious charges against a Republican.

Accordingly, I tender herewith certain evidence and the names of witnesses which I believe important in the case.

was trying to push a law through Congress benefitting that airline. May I also point out that Sam Pryor of Pan American Airways has not been registered as a lobbyist and that his activities in connection with Senator Brewster would appear to be in violation of the lobbying law?

Interview Brewster's Housekeeper

I suggest that you interview Mrs. Ellen J. Brown, RFD 4, Dexter, Me. Telephone St. Albans 6 ring 131, who has served as Brewster's housekeeper for the past three summers. Mrs. Brown is a lady with a New England conscience who believes that Senators should live up to their oath of office. I am sure she will tell your committee the truth.

She will tell, among other things, how Brewster used to fly up to Dexter, Me., almost every weekend in a private airplane belonging to Pan American Airways. The Brewster summer house in Maine was kept open from May 1 to November each year. And when Mrs. Brown first went to work for the Brewsters the Senator spent almost every weekend at home.

He would be picked up by a private Pan American plane in Washington, and Mrs. Brown is in a position to testify regarding this because she used to answer the telephone when Sam Pryor, vice president of Pan American Airways, would call to say when the Senator would arrive. The calls usually came from Washington or Greenwich, Conn., the latter being Pryor's home.

The private plane never brought anyone except Brewster. It would circle the Brewster home before landing, which was the signal for Mrs. Brown to start preparing dinner. Once Pryor himself flew in with the Senator and stayed all night. Next day they flew to Moosehead Lake for five days' fishing.

When Charles Brewster, the Senator's son, returned from overseas in 1945, Brewster brought him to Dexter in a private Pan American plane.

When the Brewster-Hughes hearings were held in Washington last summer, the Brewster household was thrown into a tizzy. Brewster immediately stopped flying Pan American planes, taking a train from Boston to Bangor, flying by Northeast Airlines to Bangor. Mrs. Brown was cautioned not to mention to a soul the Senator's past association with Pan American.

Accepting Favors Unethical

As you know, Senator Ferguson Congress some time ago passed a law making it illegal for railroads to give free passes to members of Congress. This was because so many favors were passed out to Congressmen by the railroads in the old days that it got to be a scandal. The Civil Aeronautics Board also has stringent rules against free trips on commercial airlines.

Therefore, it would seem to any average citizen highly unethical for a United States Senator to be constantly accepting free airplane trips from one airline, especially when, at the very same time, he

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Min Report Exonerates Hughes

Howard Hughes, West Coast plane maker, and his companies were held blameless of any fraud, corruption or wilful wrongdoing in connection with war contracts, a minority report of the Senate War Investigating Committee filed last night.

The minority report, submitted by Senator Carl A. Hatch (D., N. Mex.), was signed by the other three committee Democrats, Senators Claude Pepper, J. Howard McGrath and Herbert R. O'Connor.

The four were sharply critical of the committee's handling of the spectacular Hughes hearings. Their report charged that the committee, which has now ceased to exist, "repeatedly exceeded its power" as defined by Senate resolutions.

"The handling of the investigation and the conduct of at least part of the hearings, whether deservedly or not, caused public censure and even public suspicion of the motives behind the investigation," the report declared.

The four Democrats warned that Congress must improve the conduct of some of its investigating committees.

"Investigations by congressional committees, as in some instances they have been conducted," the report maintained, "amount almost to a denial of some of the fundamental rights to which our democracy has always been dedicated."

The report warned that "the power of Congress is the delegated power of the whole people and should not be used lightly or for any questionable purpose."

Such uses will "invite destruction of public faith in all investigations," the minority said. "It is equally dangerous," the Democrats warned, "for a committee, though its intentions be honorable, to employ such careless methods as to engender public suspicion or doubt as to its motives."

"The public is incredibly sensitive to such situations and often finds it difficult to distinguish between honest blundering and plain demagoguery."

The Democrats said the majority report used "inference and innuendo" to imply Hughes had been guilty of "grave wrongdoings not expressly charged."

These implications are not supported by the evidence, the Democrats held.

"There is absolutely nothing in the evidence," they said, "which discloses any fraud, corruption or wrongdoing on the part of Howard Hughes or his associates. All the evidence is directly to the contrary," the report stated.

Further, the evidence shows, the minority said, "and there is nothing to dispute it," that far from making excessive profits Hughes spent seven million dollars of his own money in plane building for the Government.

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WASHINGTON POST
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HUGHES, HOWARD

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H²³ By WES.

ER

HOWARD HUGHES, the moving picture magnate who produced no airplanes for two million of public money, has made public a letter to Sen. Ralph O. Brewster of Maine offering him \$100 a week to star as an actor. YOU ARE NO amateur, Hughes wrote.

"Your ability as an actor has been well demonstrated. Also you are the perfect type for some parts I have in mind."

We here have a senator publicly mocked in his office of investigator of outrageous corruption in the war production program by a man who could not deny that he had conspired with a professional barfly to compromise agents of the government and seduce them from propriety.

HUGHES finds himself singularly free of the restraints which affect the course of men of fastidious morals and ethics. He is not embarrassed by disclosures which would intimidate a more sensitive citizen.

In the early part of 1947, Hughes saw an investigation coming. He had spent money to hire women to act as social companions of procurement agents and for booze and luxurious meals and had charged this expense to the ultimate taxpayer as part of the cost of the planes which he did not produce for the \$49,900,000.

He had spent about \$4,900 on the wedding expenses and on extravagant personal entertainment of Elliott Roosevelt, then ranked as a colonel, in expensive hotels and night clubs of Hollywood and New York.

There was testimony, among the disclosures, that Hughes' social-traffic manager, Johnny Meyer, gave a \$30 bill to Faye Emerson, who was to become the third Mrs. Elliott Roosevelt, and a batch of nylon stockings. Nylons were rarer than \$30 bills at the time and were regarded as a persuasive gift in the quest of helpful influence in the war contract business.

ANTICIPATING disclosure, Hughes hired Carl Byrd and Associates, the New York and Washington public relations and propaganda firm, to see him through. They did well by him.

Hughes was enabled to appear to turn the tables on Sen. Brewster and to make Brewster seem to be a guilty fellow, although the record does not justify this impression.

Actually, here was a defendant who admitted that he was what he was, backing his unsupported word in a charge that Brewster offered to abandon the investigation if Hughes would abandon his own plans for an overseas passenger air line.

Brewster and others believed that the United States would best serve American interests by encouraging and supporting only one American overseas line, Pan American, the air big over-land pioneer and big shipper through Pan American and to carry on as a sole agent.

He had been known to officials of Pan American with whom he had become friendly. It appeared that he had accepted personal hospitality from one of them, although at no cost which could be justified by the faint of hope.

Brewster might properly have argued that Hughes should withdraw from overseas competition in the national interest.

THERE was shocking testimony and documentary evidence against Hughes, Johnny Meyer and Elliott Roosevelt in the hearings in Washington. Nevertheless, by artful manipulation of

the publicity and the timing of dramatic incidents, Hughes walked off triumphant, although not with honors.

Elliott Roosevelt had been so heavily misled in the wallow of the notorious John Hartford loan and other gypsies, dense with the gully knowledge of his humeral shra, that nothing could embarrass him.

The Army could have tried him on many specifications in the matter of his debts and in accordance with a special order by Gen. H. H. Arnold, warning all officers that "acceptance of the most casual entertainment or insignificant gift, however innocently intended, may tend to so compromise the Air Force and himself as to seriously impair public confidence."

NOBODY had the effrontery to say that any of Hughes' entertainment of Elliott Roosevelt, including the wild party celebrating the definite closing of the contract which Elliott had promoted, was "innocently intended."

It was all done for motives absolutely defiant of Gen. Arnold's special order and of the ethics of professional buyers and purveyors in private business as well as in public life.

The final report of the special Senate committee on its investigation of the national defense program says "each of the officers who accepted gratuities from the Hughes Aircraft company, acted in direct violation of these orders of their commanding general." The report was submitted by Sen. Homer Ferguson of Michigan.

MAJ. GEN. BENNETT E. MEYERS was sentenced by the United States court, not by the Army, to serve from 20 months to five years for perjury in concealing the fact that he owned a company from which he bought material for the Army.

This was entirely aside from the Hughes deals involving Elliott. The Army had abundant evidence that Elliott's father had verbally ordered that favors be shown to the man who was winning and dining his son.

Many a headstrong or wayward back private meanwhile has spent years in prison for rude violations of unaccustomed restraints.

There was mutually accusing testimony by Hughes and Gen. Meyers concerning discussions of favors to be done Meyers by Hughes, including a job at a high salary after the war.

THE committee could not decide who was the liar but it did say formally to Congress that these individuals did have a number of conversations concerning loans, gratuities and job offers. Nevertheless, Hughes said nothing until it served his case at a public hearing three years later to charge Meyers with tendering corrupt proposals, whereas Meyers said Hughes took the initiative.

"Hughes should have promptly made a full disclosure," the final report says. "Any war contractor is morally obligated to report promptly any corrupt or fraudulent proposal made to him."

And, finally, although Hughes claimed that most rival aircraft builders squandered public money on party girls, booze and luxuries for government agents, the report says:

"The committee with the assistance of the bureau of internal revenue and the general accounting office, could find no comparable expenditures" by other companies.

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Mr. E. A. Tamm ✓
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Mr. Glavin ✓
Mr. Ladd ✓
Mr. Nichols ✓
Mr. Rosen ✓
Mr. Tracy ✓
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Mr. Gurnea ✓
Mr. Harbo ✓
Mr. Mohr ✓
Mr. Pennington ✓
Mr. Quinn Tamm ✓
Mr. Nease ✓
Miss Gandy ✓

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